

PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972

SENATE RESOLUTION 60

EXECUTIVE SESSION HEARINGS

BEFORE THE

SELECT COMMITTEE ON

PRESIDENTIAL CAMPAIGN ACTIVITIES

OF THE

UNITED STATES SENATE

NINETY-THIRD CONGRESS

FIRST SESSION

WATERGATE AND RELATED ACTIVITIES

Milk Fund Investigation

WASHINGTON, D.C., DECEMBER 14, 18, 19, 20, AND 21, 1973

Book 15



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(Established by S. Res. 60, 93d Congress, 1st Session)



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[Executive session hearings released to the public after the filing
of the final report of the Senate Select Committee.]

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PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972

MILK FUND INVESTIGATION

FRIDAY, DECEMBER 14, 1973

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 10:45 a.m., in room 109, Russell Senate Office Building.

Present: Senator Talmadge.

Also present: Samuel Dash, chief counsel; David Dorsen, assistant chief counsel; Alan Weitz, assistant majority counsel; and Don Sanders, deputy minority counsel.

Senator TALMADGE. Mr. Jacobsen, will you hold up your right hand?

Do you solemnly swear that the evidence that you shall give the Select Committee of the Senate to investigate the election irregularities of the Presidential campaign in 1972, will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. JACOBSEN. I do, sir.

Senator TALMADGE. Anything else?

Mr. DORSEN. No, Senator.

We will adjourn to room 1418.

[Whereupon, the hearing was adjourned to room 1418, Dirksen Senate Office Building.]

Mr. WEITZ. Mr. Jacobsen, for the record would you state your full name and address, please?

TESTIMONY OF JAKE JACOBSEN, AUSTIN, TEX., ACCOMPANIED BY CHARLES A. McNELIS, COUNSEL

Mr. JACOBSEN. Jake Jacobsen, 2305 Sunnyslope, Austin, Tex.

Mr. WEITZ. And would your counsel please identify himself for the record?

Mr. McNELIS. Charles A. McNelis, attorney in Washington, the firm of Welch and Morgan.

Mr. WEITZ. Mr. Jacobsen, I understand you worked in the White House for a period of time in the mid-1960's.

Could you tell us what your position was, and for what term?

Mr. JACOBSEN. Yes. I worked in the White House from May 1965 until May 1966. And I was called legislative counsel to the President.

Mr. WEITZ. And in 1967 did you leave the White House?

Mr. JACOBSEN. Yes, I did.

Mr. WEITZ. And what did you become employed in at that time?

Mr. JACOBSEN. I practiced law.

Mr. WEITZ. Did you have a firm at that time?

Mr. JACOBSEN. Yes, I did.

Mr. WEITZ. Could you state the name of the firm?

Mr. JACOBSEN. Yes, Jacobsen and Long.

Mr. WEITZ. And that was located in Austin, Tex.?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And you remained a member of that firm until 1972?

Mr. JACOBSEN. That is right.

Mr. WEITZ. Did you affiliate with another firm at the same time in 1968?

Mr. JACOBSEN. Yes, I affiliated with another man, Milton Semer. And we became the firm of Semer and Jacobsen.

And subsequently Mr. Lee White came in with us, and we became the firm of Semer, White and Jacobsen.

Mr. WEITZ. And that firm was in existence until 1972 also?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. You knew both Mr. Semer and Mr. White from the White House?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Were both firms of Jacobsen and Long and Semer, White and Jacobsen retained by Associated Milk Producers and its predecessors, Milk Producers, Inc.

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Can you tell us when these firms were first retained by them?

Mr. JACOBSEN. I think the Austin firm was retained in 1968.

Mr. McNELIS. Mr. Jacobsen, for the record, can we get the Austin firm? Is that Jacobsen and Long?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And the Washington firm is Semer, White and Jacobsen?

Mr. JACOBSEN. Yes. I figured I would cut it short. And the Washington firm was employed in the same year. I think.

Mr. WEITZ. 1968?

Mr. JACOBSEN. Yes.

Mr. WEITZ. I think for the record we may refer to Associated Milk Producers as AMPI and Milk Producers as MPI.

Who did you have contact with at AMPI and MPI?

Mr. JACOBSEN. Mr. Nelson and Mr. Parr.

Mr. WEITZ. When did you first meet those gentlemen?

Mr. JACOBSEN. At the White House.

Mr. WEITZ. When you were employed at the White House?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And for what purpose were you retained?

Mr. JACOBSEN. General legal work.

Mr. WEITZ. Could you tell us principally what type of legal work you, in fact, performed for them for their organizations?

Mr. JACOBSEN. Well, our firm performed all types of work. We appeared before State agencies, and represented them in lawsuits, and just did general legal work.

Mr. WEITZ. How about yourself, did you, as opposed to your partners, perform or give advice in a particular area primarily?

Mr. JACOBSEN. Well, I think I primarily gave advice in the political area.

Mr. WEITZ. What do you mean by that?

Mr. JACOBSEN. Well, the relationship—the governmental relations.

Mr. WEITZ. Primarily relations with the Federal Government?

Mr. JACOBSEN. Yes—and State government.

Mr. WEITZ. I see.

Did there come a time when you advised them in connection with the formation of the Trust for Agricultural Political Education known as TAPE?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Could you tell us about that?

Mr. JACOBSEN. Well, someone came to me with the idea of organizing a political activity fund trust, similar to AFL-CIO's COPS, and they asked me about the feasibility of doing that, and how it would work.

And I thought that it was a good idea, and so told them.

Mr. WEITZ. Who came to you for this advice?

Mr. JACOBSEN. I think Mr. Nelson and Mr. Parr, either.

Mr. WEITZ. Do you remember when they first came to you and discussed this with you?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Was it in 1968?

Mr. JACOBSEN. Probably.

Mr. WEITZ. Do you know when TAPE was formed?

Mr. JACOBSEN. In 1968, I believe.

Mr. WEITZ. Do you know when it first started to receive contributions from members?

Mr. JACOBSEN. I don't, Mr. Weitz, no.

Mr. WEITZ. Did there come a time when you discussed the possibility or in fact the organization of TAPE with Mr. Connally?

Mr. JACOBSEN. No; I don't remember talking to Mr. Connally about TAPE at all.

Mr. WEITZ. How long had you known Mr. Connally?

Mr. JACOBSEN. Oh, about 25 years.

Mr. WEITZ. Had you ever held any formal positions in either his administration or any offices that he held?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Were you a close personal friend of the Governor's?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you advise him on political matters?

Mr. JACOBSEN. I did later, yes.

Maybe I ought to explain. My primary association was with a man named Price Daniel. And I worked for Price Daniel when he was attorney general, U.S. Senator, and Governor. And in working with Price Daniel I got to know Secretary Connally. And eventually Connally ran against Daniel for Governor, and beat him. And in that election I was Daniel's campaign manager. So, I didn't advise Connally much about politics until after that election was over, and then we became friends.

Mr. WEITZ. And would you say you have seen him frequently over the years since that time?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. Do you know—

Mr. DASH. The question was after he became Governor did you advise him on political matters.

Mr. JACOBSEN. Not really, after he became Governor I didn't advise him much. I talked to him from time to time about political matters, but I wasn't really one of his advisers; I wouldn't call myself that.

Mr. WEITZ. For the years 1968 and 1969, after you were retained by AMPI, did you ever discuss with him any matters in connection with the dairy co-ops?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. In those 2 years?

Mr. JACOBSEN. No, sir.

Mr. McNELIS. Excuse me. That was 1968 and 1969?

Mr. WEITZ. Yes.

Did you ever discuss during those 2 years any contemplated or completed political contributions by TAPE with Mr. Connally?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Do you know whether he was aware of any contributions made during that period of time?

Mr. JACOBSEN. I don't know.

Mr. DASH. He was aware of your relationship with AMPI?

Mr. JACOBSEN. I don't think he was. When he was Governor, he was aware of it.

Mr. DASH. During the 1968-69 period?

Mr. JACOBSEN. I don't know that he was.

Mr. DASH. In your friendly or frequent meetings or discussions it never came up that you had this relationship?

Mr. JACOBSEN. It may have, but I don't recall that specifically.

Mr. McNELIS. Is it fair to say you do not know whether he was or was not aware of your relationship with the Governor?

Mr. JACOBSEN. That is right, that is what I am saying to you.

Mr. WEITZ. At least he didn't know of it from you?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Can you also have any other formal or informal relationship with the other dairy co-ops, one being Mid-America Dairy-men, Inc., and the other one, Dairymen, Inc.

Mr. JACOBSEN. No, sir, not during that period of time.

Mr. WEITZ. When you say informal relationships, did you meet with any officials of those two co-ops or engage in any discussions with them, even though you may not have been retained by them?

Mr. JACOBSEN. Are you talking about 1968 and 1969?

Mr. WEITZ. Yes.

Mr. JACOBSEN. I don't think so.

Mr. WEITZ. Did there come a time when in fact you were either retained by them or had contact with them, in 1973?

Mr. JACOBSEN. Yes.

Mr. WEITZ. You ultimately were retained by them?

Mr. JACOBSEN. In 1973.

Mr. WEITZ. Before that time, between 1970 and 1973, did you ever have contact with the other two dairy co-ops?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And what was the nature of your contact?

Mr. JACOBSEN. I made speeches for them and advised their memberships.

Mr. WEITZ. What type of advice did you give their membership?

Mr. JACOBSEN. On political activities.

Mr. WEITZ. Did you advise them with regard to the formation of organizations similar to TAPE?

Mr. JACOBSEN. No; I didn't advise them as to that.

Mr. WEITZ. Were you aware that in fact they did form organizations similar to TAPE?

Mr. JACOBSEN. I was aware of that; yes.

Mr. WEITZ. And the organization formed by Mid-America is called ADEPT, and the organization formed by Dairymen was SPACE; were you aware of that?

Mr. JACOBSEN. Yes; I was aware of that.

Mr. WEITZ. Who did you have contact with in those two other co-ops, Mid-America first and then Dairymen, Inc.?

Mr. JACOBSEN. Mid-America was primarily Gary Hanman; and Dairymen, Inc., was primarily Ben Morgan.

Mr. WEITZ. And before you were retained by either of the two co-ops in 1973, did you ever receive any form of compensation from them?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. In the period 1968 to 1972?

Mr. JACOBSEN. Not that I know of. The AMPI might have billed them for the speeches I made for them. But I didn't receive compensation direct from them.

Mr. WEITZ. I have here—I would like to mark it as exhibit 1—a check and voucher of Associated Milk Producers dated September 18, 1970, in the amount of \$12,013.37 to Jacobsen and Long. Attached to it is an invoice, Jacobsen and Long, dated September 11, 1970. And there are two items listed: "For professional services rendered on behalf of Mid-America, \$5,000; for professional services rendered on behalf of Dairymen, Incorporated, \$2,000."

Will you identify these, please?

[The documents referred to were marked Jacobsen exhibit No. 1.*]

Mr. WEITZ. Have you ever seen a copy of that check or this invoice?

Mr. JACOBSEN. Yes, I have seen the invoice, and I have seen the check.

Mr. WEITZ. So in fact did this represent services that you rendered to the other two co-ops and for which you received compensation directly from AMPI?

Mr. JACOBSEN. That is correct.

Mr. McNELIS. Mr. Weitz, rather than putting the question that way, could you have the witness say himself what that represents?

Mr. WEITZ. He has answered the question, but he may elaborate.

Mr. McNELIS. For the future.

Mr. JACOBSEN. As I say, I didn't receive any compensation direct from Dairymen or Mid-America. I received compensation from AMPI for work that I did for Dairymen and Mid-America, and they may have received compensation, I don't know.

Mr. WEITZ. Just to backtrack for a moment and get a general picture of your relationship, for example, with AMPI—could you tell us what compensation arrangements you had with them, each of your two firms?

Mr. JACOBSEN. Yes.

I know the Austin firm had an arrangement for a retainer of \$2,500 a month, plus billing extra for work done, major work done. And the same arrangement was with the Washington firm.

Mr. WEITZ. And that was also \$2,500 a month?

Mr. JACOBSEN. Yes.

*See p. 6479.

Mr. WEITZ. Did the amount of the retainer remain constant throughout the period that you were retained?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And did you bill for additional work done?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. Was that based on hours spent on work for them.

Mr. JACOBSEN. Well, generally, yes.

Mr. WEITZ. And did your firm retain records of hourly work and so forth?

Mr. JACOBSEN. No, only in certain instances. For example, if I went to make a speech I didn't bill them on the number of hours I spent, that would have been too high. I billed them a set rate.

Mr. WEITZ. And what was your retainer relationship—or were you on a retainer relationship with either Mid-America or Dairymen?

Mr. JACOBSEN. No.

Mr. WEITZ. Just for work performed on an hourly or billed basis?

Mr. JACOBSEN. You mean since 1973?

Mr. WEITZ. Yes.

Mr. JACOBSEN. No. I am on a retainer basis now.

Mr. WEITZ. What is the retainer now?

Mr. JACOBSEN. \$1,000 a month.

Mr. WEITZ. For each of the other two?

Mr. JACOBSEN. For each of the other two.

Mr. WEITZ. In 1969 did you ever discuss with anyone from TAPE the possibility of TAPE or those on behalf of TAPE making unreported political contributions.

Mr. McNELIS. Excuse me.

Do you get the full import of that question?

Mr. JACOBSEN. Yes, I do.

Mr. McNELIS. Could we have the question restated?

Mr. WEITZ. I would like to have the witness answer that question, and then if he has additional response, or if I feel an additional question is necessary, I will ask it.

Mr. McNELIS. My objection is for the future. You are reading into the question assumptions that are not necessarily grounded in fact.

Mr. JACOBSEN. I was going to take care of that.

Mr. McNELIS. OK, Mr. Jacobsen. Go ahead.

Mr. JACOBSEN. I discussed with TAPE the possibility of making some contributions to the Republican Party, not necessarily unreported; I didn't discuss anything about reported or unreported.

Mr. WEITZ. Who did you discuss these matters with, people from TAPE?

Mr. JACOBSEN. Nelson and Parr.

Mr. WEITZ. Now about Bob Isham, did you ever discuss any such matter with him?

Mr. JACOBSEN. No, sir, I don't think I did.

Mr. WEITZ. And you never suggested to him that moneys collected from time to time from TAPE members should not be reported in TAPE's reporting and that those moneys be available for cash political contributions.

Mr. JACOBSEN. Oh, no.

Mr. WEITZ. Or political contributions of any sort, but not reported?

Mr. JACOBSEN. I don't remember ever saying that.

Mr. WEITZ. Did you ever give any advice to Mr. Isham with regard to TAPE?

Mr. JACOBSEN. I am sure I did. But I don't recall what it was specifically.

Mr. WEITZ. And wasn't Mr. Isham the trustee for TAPE, and therefore he had the sole responsibility for disbursement of funds from TAPE?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. Did you ever give him advice with regard to reporting requirements for TAPE?

Mr. JACOBSEN. I may have.

Mr. WEITZ. You say you may have. What exactly is your recollection in that regard?

Mr. JACOBSEN. I don't have a firm recollection. I think he got his advice from Mr. Pierson.

Mr. WEITZ. DeVier Pierson?

Mr. DASIL. Who was he?

Mr. JACOBSEN. A lawyer here in Washington.

Mr. WEITZ. He was retained by AMPI also?

Mr. JACOBSEN. Yes, he was retained by AMPI.

Mr. WEITZ. And didn't he work in the White House in 1967-68?

Mr. JACOBSEN. Yes, 1968; somewhere in there.

Mr. WEITZ. Did you know that he was retained by AMPI at the time in 1969, for example?

Mr. JACOBSEN. Yes, I think so.

Mr. WEITZ. Did you ever discuss with Mr. Pierson the reporting requirements or other requirements with respect to TAPE?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. You mentioned that you discussed with Nelson and Parr on behalf of TAPE, contributions, without regard to whether or not they would be reported.

Do you recall what conversations you had in 1969 with respect to possible contributions to President Nixon or to the Republican Party?

Mr. JACOBSEN. Well, during 1969, the general attitude prevailed that the milk people, Parr, Nelson, et cetera, were trying to find a way to get a more sympathetic ear in the Republican administration, since they had supported Senator Humphrey and had not supported President Nixon. And it was generally talked about some way of getting that sympathetic ear either by making a contribution or by doing something.

Mr. WEITZ. Who engaged in these discussions?

Mr. JACOBSEN. My best recollection is that it was Mr. Nelson, Mr. Parr, Mr. Semer, and myself.

Mr. WEITZ. Where did these discussions take place, do you recall?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Did any take place in the Executive Inn in Dallas, Tex.?

Mr. JACOBSEN. No.

Mr. WEITZ. Why was Mr. Semer involved?

Mr. JACOBSEN. Well, Mr. Semer was Washington counsel for AMPI and advised with AMPI on the Washington problems.

Mr. WEITZ. Was any one of those four gentlemen you have named, including yourself, in touch with the administration on this question?

Mr. JACOBSEN. Well, Mr. Semer did eventually get in touch with Mr. Gleason.

Mr. WEITZ. That was Jack Gleason who was in the White House at the time?

Mr. JACOBSEN. I thought he was in the Commerce Department.

Mr. WEITZ. Your recollection is, he contacted him while he was in the Commerce Department?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did he contact anyone else in the administration?

Mr. JACOBSEN. Eventually he talked to Attorney General Mitchell. But this was subsequent.

My recollection has been refreshed. Mr. McNelis refreshed my recollection. He did not talk to Mr. Mitchell before he made the contribution to Mr. Kalmbach.

Mr. WEITZ. Do you know who suggested, or in fact if anyone suggested, that Mr. Semer or anyone on behalf of AMPI contact Mr. Kalmbach?

Mr. JACOBSEN. Mr. Gleason suggested to Mr. Semer that he get in touch with Mr. Kalmbach to handle the problem of trying to get a more sympathetic understanding within the Republican administration.

Mr. WEITZ. Do you know whether Mr. Kalmbach had any official capacity in the administration?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. What was your understanding of Mr. Kalmbach's relationship to the President or to the administration?

Mr. JACOBSEN. I understood he was the President's lawyer.

Mr. WEITZ. Was he also a fundraiser for the President?

Mr. JACOBSEN. I didn't know that at the time. I subsequently found out he was a fundraiser.

Mr. WEITZ. Did you understand why it was suggested that in order to gain a sympathetic ear with the administration that someone on behalf of AMPI contact Mr. Kalmbach?

Mr. JACOBSEN. No. I didn't know why that contact was to be made.

Mr. WEITZ. Was it for the purpose of making a political contribution to the President?

Mr. JACOBSEN. No, not originally; it didn't start out at that.

Mr. WEITZ. How did it start out?

Mr. JACOBSEN. It started out that Mr. Gleason advised Mr. Semer that the person he ought to talk to, to get a more sympathetic understanding in the administration, was Mr. Kalmbach.

Mr. WEITZ. You say your recollection was refreshed by Mr. Semer in connection with his contacts with Attorney General Mitchell?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Could you tell us under what circumstances you discussed this matter with Mr. Semer?

Mr. JACOBSEN. He went to the hospital to have an operation, and I called him to see how he was doing. And he had read the articles in the paper that had come out after my deposition for the Nader group.

Mr. WEITZ. That is just in the last month?

Mr. JACOBSEN. Yes. And he said I had made a mistake by saying that he had contacted Attorney General Mitchell.

Mr. WEITZ. Before the contribution was made?

Mr. JACOBSEN. Yes.

Mr. WEITZ. In the deposition, in making the statement that you understood Mr. Semer to have contacted Mr. Mitchell before the contribution, on what did you base that?

Mr. JACOBSEN. That was just my understanding. I just thought that.

Mr. WEITZ. Mr. Semer had told you that at the time, is that correct?

Mr. JACOBSEN. No. I thought he did, but he hadn't.

Mr. WEITZ. He was your law partner at the time, was he not?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Were you in almost daily contact with him?

Mr. JACOBSEN. Almost, not quite.

Mr. WEITZ. Is it likely that he would have told you what he was doing, who in the administration he was contacting on behalf of AMPI?

Mr. McNELIS. I have an objection to that question. I don't think this witness is in a position to say what Mr. Semer likely may or may not have been doing.

Mr. WEITZ. In terms of your experience, did, in fact, Mr. Semer report to you fairly regularly with regard to his actions on behalf of clients of yours, or common clients?

Mr. JACOBSEN. Yes; he did.

Mr. WEITZ. Do you recall whether he did so in connection with AMPI?

Mr. JACOBSEN. He did fairly so.

Mr. WEITZ. Do you recall whether he reported to you in connection with his contacts with the administration such as with Mr. Mitchell on behalf of AMPI?

Mr. JACOBSEN. He may have.

Mr. WEITZ. And with Mr. Gleason?

Mr. JACOBSEN. Yes, he may have.

Mr. WEITZ. And was it based on your recollection of those conversations that you first testified that he contacted Mr. Mitchell before the contribution?

Mr. JACOBSEN. Correct. I got the understanding that he contacted Mr. Mitchell before the contribution was made, and Mr. Semer corrected me on that. I don't know how I got the impression that he contacted him before.

Mr. WEITZ. Did you ever talk with Mr. Kalmbach about this in 1969?

Mr. JACOBSEN. No; I didn't know Mr. Kalmbach.

Mr. WEITZ. Would you tell us what took place after the suggestion was made that Mr. Semer contact Mr. Kalmbach?

Mr. JACOBSEN. Well, Mr. Semer went out and talked to Mr. Kalmbach, talked to him about the milk problems, and about the general situation. And Mr. Kalmbach was sympathetic. And that was the end of the conversation.

Subsequently, Mr. Kalmbach was at the Madison Hotel and ran into Mr. Semer, and suggested to Mr. Semer that the milk people make a contribution of \$100,000.

Mr. WEITZ. Had Mr. Semer, before that time, ever discussed the question of contributions with Mr. Kalmbach?

Mr. JACOBSEN. I don't think so. I don't know. You will have to ask Semer.

Mr. WEITZ. Who did Mr. Kalmbach suggest would receive the contribution, or how would the contribution be made?

Mr. JACOBSEN. Bear in mind, I am giving you a lot of hearsay, because this is Semer's conversation, not mine. But I understand that he told Mr. Semer to make that to him.

Mr. WEITZ. Was this connected to the attempt by AMPI to get a sympathetic ear or understanding from the White House?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. In fact this was a direct consequence of having contacted Mr. Kalmbach as a result of Mr. Semer's contact with the administration?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Do you know whether Mr. Kalmbach specified to Mr. Semer in what form the contribution should be made?

Mr. JACOBSEN. I understand that he did. I find it very difficult to answer hearsay questions.

Mr. WEITZ. You said that you recall Mr. Semer reported to you fairly regularly on his contacts on behalf of common clients?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So your recollection, although it may be based on hearsay, is based on information that you probably received contemporaneous to such events?

Mr. JACOBSEN. But hearsay nonetheless.

Mr. WEITZ. I understand.

Mr. JACOBSEN. What was your question again?

Mr. WEITZ. Whether Mr. Kalmbach specified to Mr. Semer the form in which the contribution should be made?

Mr. JACOBSEN. My understanding was that Mr. Kalmbach specified that it ought to be made in cash.

Mr. WEITZ. Did Mr. Kalmbach say why it should be made in cash?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Do you know whether there was any discussion between Mr. Kalmbach and Mr. Semer concerning the way in which such a contribution or payment would be reported to Federal authorities?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Did any conversation take place between Mr. Semer and either you or anyone at AMPI in connection with reporting such a contribution?

Mr. JACOBSEN. No one talked to me about it. I suspect Mr. Semer talked to Parr and Nelson.

Mr. WEITZ. Were you familiar at the time with the Corrupt Practices Act then in effect?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. And were you aware that the Corrupt Practices Act prohibited a contribution to any one political candidate in excess of \$5,000?

Mr. JACOBSEN. No; I wasn't aware of that.

Mr. WEITZ. But you were familiar with the Corrupt Practices Act?

Mr. JACOBSEN. I knew there was a Corrupt Practices Act.

Mr. WEITZ. Did anyone at the time, in 1969, speak to you in terms of reporting the contribution?

Mr. JACOBSEN. Someone spoke to me about the fact Mr. Kalmbach didn't want that reported.

Mr. WEITZ. Do you know who told you that?

Mr. JACOBSEN. Probably Mr. Semer.

Mr. WEITZ. Was this either before or essentially at the time the contribution was made that you found out about this information?

Mr. JACOBSEN. It was essentially at the time the contribution was made.

Mr. WEITZ. And to your knowledge was anyone at AMPI informed of the fact that Mr. Kalmbach did not want the contribution reported?

Mr. JACOBSEN. Yes, I am sure they were.

Mr. WEITZ. Can you tell us how the \$100,000 in cash was obtained and delivered?

Mr. JACOBSEN. Yes.

Mr. Lilly withdrew from the bank \$100,000 in cash from TAPE, and took it to Dallas where he met Mr. Semer. He gave Mr. Semer the \$100,000 in Dallas and Mr. Semer delivered it to Mr. Kalmbach in Newport Beach.

Mr. WEITZ. Mr. Lilly was an employee of AMPI at the time?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you know Mr. Lilly?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. Did you talk with him about the arrangements for obtaining and delivering the cash?

Mr. JACOBSEN. I may have, I don't recall.

Mr. WEITZ. What bank did TAPE keep its account in?

Mr. JACOBSEN. It kept one of its accounts at the Citizens National Bank, where I was chairman of the board.

Mr. WEITZ. And that was the account from which the \$100,000 was withdrawn?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. Do you know who authorized the withdrawal of the \$100,000?

Mr. JACOBSEN. Mr. Isham must have authorized it.

Mr. WEITZ. Do you know whether Mr. Isham communicated that fact to any employee of the bank?

Mr. JACOBSEN. No, I don't. I assume he did, because he was the only one authorized to withdraw money from that account.

Mr. WEITZ. Did you ever discuss with Mr. Isham his authorization, or ask him to make an authorization to withdraw the \$100,000 from the TAPE account?

Mr. JACOBSEN. I don't recall doing that.

Mr. WEITZ. Did you ever discuss with Mr. Stetler, the president of the bank at that time, preparations for this transaction?

Mr. JACOBSEN. I guess I did.

Mr. WEITZ. You guess you did. Do you recall doing so?

Mr. JACOBSEN. No, I don't recall.

Mr. WEITZ. Do you recall telling Mr. Stetler that \$100,000 would be withdrawn shortly on the instructions of Mr. Isham?

Mr. JACOBSEN. I may have done that. I don't have any independent recollection of it.

Mr. WEITZ. Who would have had to authorize, at that time in the bank, the withdrawal of \$100,000 in cash?

Mr. JACOBSEN. Mr. Stetler.

Mr. WEITZ. And you don't know whether Mr. Stetler talked to Mr. Isham who had authority over that account?

Mr. JACOBSEN. I assume he did. I don't know.

Mr. WEITZ. And you don't recall talking with either Mr. Isham or Mr. Stetler about it?

Mr. JACOBSEN. No, sir; I don't.

Mr. DASH. I think you said you guessed you did it. On what basis would you make your guess? Would that be a routine procedure for you to do that when such a large amount of money was being withdrawn?

Mr. JACOBSEN. No, it wouldn't be routine. But since it was AMPI involved and TAPE, I just assumed that I probably talked to him about it.

Mr. WEITZ. Do you recall giving him instructions to obtain the \$100,000 in bills from various tellers in such a way that they would be of different serial numbers and different ages and therefore more difficult to trace?

Mr. JACOBSEN. No, I don't recall that at all.

Mr. WEITZ. Did you discuss in any way the possibility of obtaining the money over a period of time, several days, so as to minimize the possibility that the withdrawal would be noticed?

Mr. JACOBSEN. No.

Mr. WEITZ. Are you fairly certain that you didn't have such conversations with Mr. Stetler?

Mr. McNELIS. His answer was, "I don't recall that."

Mr. JACOBSEN. I don't recall talking to him about that at all.

Mr. WEITZ. So you are not certain whether or not you did have such conversations?

Mr. McNELIS. His answer again is, he doesn't recall it.

Mr. JACOBSEN. I just don't know. I don't think I talked to him at all about that.

Mr. WEITZ. And therefore you cannot say that you did not?

Mr. JACOBSEN. And, therefore, I cannot say that.

Mr. McNELIS. And conversely, can you say that you did?

Mr. JACOBSEN. No.

Mr. DORSEN. Mr. Jacobsen, to your best recollection have you ever had conversations with Mr. Stetler concerning obtaining a large sum of money at different times from different tellers in order to avoid tracing the source of cash funds?

Mr. JACOBSEN. No; I don't recall that.

Mr. DORSEN. So if this conversation with Mr. Stetler had occurred in connection with the \$100,000 withdrawal, it would have been in all likelihood the only time it would have occurred?

Mr. JACOBSEN. I would think so.

Mr. DORSEN. And based upon the questions I have just asked you, can you say with any greater degree of assurance or specificity whether or not you believe that you had such a conversation with Mr. Stetler?

Mr. JACOBSEN. I don't believe I ever had such a conversation with Mr. Stetler.

Mr. WEITZ. After the delivery of the money to Mr. Kalmbach by Mr. Semer did you become aware of any contacts thereafter in 1969, for example, between representatives of AMPI or employees of AMPI and persons in the administration?

Mr. JACOBSEN. The only thing I became aware of was a meeting with Harry Dent. And I don't know when that took place.

Mr. WEITZ. Do you know who attended that meeting?

Mr. JACOBSEN. Mr. Semer, Mr. Parr, and Mr. Nelson, I believe.

Mr. WEITZ. Did you know how soon after the payment that that meeting took place?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Do you know of any effort by AMPI to have the President attend some meeting of the dairy people in 1969 and speak at some meeting of the dairy people in 1969?

Mr. JACOBSEN. I recall that they tried to get him to speak at their annual convention, but I didn't know that was in 1969.

Mr. McNELIS. As a point of fact for the witness, was the speech in 1969?

Mr. JACOBSEN. I don't know.

Mr. McNELIS. Can we give him a definitive date on that and work from there?

Mr. WEITZ. Which speech?

Mr. McNELIS. The one he just testified to.

Mr. WEITZ. I think there were several. Do you recall at which annual convention of the AMPI the President spoke?

Mr. JACOBSEN. No, I don't know.

Mr. WEITZ. Do you know of anything that—anything else that occurred in 1969 as a result, or following, in connection with the administration at AMPI following delivery of the money to Mr. Kalmbach?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Did there come a time in 1969 when the question of either reporting the contribution or reimbursing TAPE arose?

Mr. JACOBSEN. Well, in December—now this is hearsay, I don't know this, nobody told me this—but in December when TAPE was about to have to report, AMPI put up \$100,000 of deposit, and TAPE borrowed \$100,000 from the Citizens' National Bank, based on the security of that \$100,000 certificate of deposit.

Mr. WEITZ. You say you have no knowledge of this personally, it is hearsay?

Mr. JACOBSEN. Well, hearsay that this had to do with reporting.

Mr. WEITZ. What about hearsay in terms of the actual transaction?

Mr. JACOBSEN. No, I know the transaction took place.

Mr. WEITZ. And how did you know of that fact?

Mr. JACOBSEN. Because we checked the bank's records after we were here the last time.

Mr. WEITZ. Prior to that time you did not recall the transaction?

Mr. JACOBSEN. No, I didn't.

Mr. WEITZ. Did you talk to Mr. Lilly about the transaction?

Mr. JACOBSEN. I don't recall.

Mr. WEITZ. It was Mr. Lilly who borrowed the \$100,000 from the bank?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Why was Mr. Lilly chosen to do so?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. And what was he to do with \$100,000?

Mr. JACOBSEN. Put it in the TAPE account.

Mr. WEITZ. And therefore by the end of the year TAPE would not report any contribution to the President?

Mr. JACOBSEN. That was my understanding of why he did it.

Mr. WEITZ. I will mark as exhibit 2, a loan application in the name of Bob A. Lilly, dated December 17, 1969, in the amount of \$100,000 payable in 60 days, the loaning officer signing it having the name of Marvin N. Stetler. Have you ever seen this loan application?

Mr. JACOBSEN. Yes.

Mr. WEITZ. That is the loan application representing the loan to Mr. Lilly, the transaction you just described?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And are those your initials at the bottom?

Mr. JACOBSEN. Yes.

[The document referred to was marked Jacobsen exhibit No. 2.¹]

Mr. WEITZ. Whose initials are the other two sets of initials?

Mr. JACOBSEN. I think the other two people are Morgan E. Pierce and Walter Donald Roberts.

Mr. WEITZ. How did you come to initial the loan application?

Mr. JACOBSEN. I was on the loan committee, and it took three members of the five-member committee—a loan of that size had to be approved by the loan committee.

Mr. WEITZ. Did you talk to the other two gentlemen about the loan application and the transaction?

Mr. JACOBSEN. They were all in the meeting together.

Mr. WEITZ. Did you explain what the transaction concerned?

Mr. JACOBSEN. I think Mr. Stetler did.

Mr. WEITZ. Can you tell us what was said at that meeting?

Mr. JACOBSEN. No, I can't.

Mr. WEITZ. Do you remember what Mr. Stetler explained to the gentlemen?

Mr. JACOBSEN. It has been too long ago.

I think—I hate to start out and answer a question “I think,” but I think all he did was explain that it was a \$100,000 loan with a \$100,000 CD as security.

Mr. WEITZ. And the \$100,000 CD was whose CD?

Mr. JACOBSEN. AMPL.

Mr. WEITZ. Is this a security agreement—let me mark it as exhibit 3 and ask you whether you have ever seen this security agreement in the name of Bob A. Lilly for \$100,000?

[The document referred to was marked Jacobsen exhibit No. 3.²]

Mr. JACOBSEN. No; I have never seen that before.

Let me say—I saw that just the other day when we went to check the record out of the bank.

Mr. WEITZ. You don't recall seeing it before that time?

Mr. JACOBSEN. No, I didn't see it.

Mr. DASH. Is that a secured agreement in support of the loan?

Mr. JACOBSEN. Yes.

Mr. DASH. Wouldn't you have had to have seen it as a member of the loan committee?

Mr. JACOBSEN. Not if the president said he had it, Mr. Dash. If the president said he had a secured agreement on the \$100,000 CD, I would accept his word.

¹ See p. 6481.

² Previously printed as Lilly exhibit No. 4 in Book 14, p. 5995.

Mr. WEITZ. Do you know whether Mr. Lilly, who is listed here as the assistant general manager, had the authority to pledge a \$100,000 CD of Milk Producers, Inc., for this loan?

Mr. JACOBSEN. No, I don't know.

Mr. WEITZ. Did Mr. Stetler tell the committee that he did?

Mr. JACOBSEN. I don't know.

Mr. McNELIS. Is it that you don't know or you don't recall?

Mr. JACOBSEN. I don't recall.

Mr. DASH. A loan by Mr. Lilly—who was, I take it an employee of AMPI—of that amount of money, would that be an unusual transaction, \$100,000?

Mr. JACOBSEN. I suppose so. But not really, when it was secured by \$100,000 CD.

Mr. DASH. But as a member of the loan committee, and participating in that loan, this would not be one of the ordinary transactions that you had to look at, is that true?

Mr. JACOBSEN. It is hard for me, Mr. Dash, to disassociate myself with the fact that I knew about the transaction. But the other two members of the loan committee didn't know about it.

Mr. DASH. I was trying to find out what you did know about the transaction and why it was being made.

What is your best recollection of what you did know about the transaction and why it was being made.

Mr. JACOBSEN. My best recollection is that Nelson or somebody had told me that they needed to get the \$100,000 back into TAPE, because it was reporting time. That is my best recollection, Mr. Dash.

Mr. WEITZ. And because Mr. Kalmbach didn't want the contribution reported?

Mr. JACOBSEN. He didn't want the contribution reported.

Mr. WEITZ. Do you know whether anyone ever discussed the possibility of getting the money back from Mr. Kalmbach?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know what he did with the money?

Mr. McNELIS. Excuse me. A discussion with respect to getting the money back from Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. McNELIS. Did you understand the question?

Mr. JACOBSEN. Yes; I heard the question. And I don't know.

Mr. WEITZ. Do you know for what purpose he applied the money?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. What did you understand to be the way in which Mr. Lilly, an employee of the company, would recoup the \$100,000 to pay the loan?

Mr. JACOBSEN. I didn't have any way of knowing that.

Mr. WEITZ. As a member of the loan committee, wasn't that a relevant consideration as to whether or not Mr. Lilly should be extended the loan?

Mr. JACOBSEN. Not when you have a CD behind it, you can always call on the CD and get that collected.

Mr. WEITZ. And the CD was an MPI CD or an AMPI CD?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And therefore if Mr. Lilly defaulted, the AMPI certificate would be forfeited?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And therefore the \$100,000 contribution to Mr. Kalmbach would be refunded to TAPE by way of forfeiture of \$100,000 from AMPI?

Mr. JACOBSEN. Yes.

Mr. WEITZ. You knew that both MPI and AMPI were incorporated and were corporations, didn't you?

Mr. JACOBSEN. Yes, I guess so; sure.

Mr. WEITZ. And therefore if the CD was forfeited and the \$100,000 of AMPI or MPI reimbursed TAPE for the contribution, it would be a corporate fund that would be used in effect to subsidize the contribution to Mr. Kalmbach and to the President?

Mr. JACOBSEN. I never thought of that, but that is true.

Mr. WEITZ. Was there any other method other than the forfeiture of the CD that was used, discussed, or that you knew of to repay—to help Mr. Lilly repay the \$100,000 on this loan?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Do you know how much Mr. Lilly's salary was at that time, approximately?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Was he making at least \$100,000 a year to your knowledge?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Did there come a time when, in fact, Mr. Lilly asked you and Mr. Long, your partner, to give him some money to help repay the loan?

Mr. JACOBSEN. Yes.

Mr. WEITZ. When did that take place?

Mr. JACOBSEN. That took place in December of 1969.

Mr. WEITZ. Was it December 17, 1969?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And wasn't that also the day on which the loan was made to Mr. Lilly?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Wasn't it, in fact, contemporaneous with the making of the loan to Mr. Lilly that he asked you for the money?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And isn't it a fact that at the time of the loan you knew that he would be asking both you and Mr. Long and others who were retained by AMPI to assist him in repaying the loan?

Mr. JACOBSEN. I knew he asked us, Mr. Weitz—

Mr. McNELIS. When you say "us," who are you talking about?

Mr. JACOBSEN. Long and myself. I knew he asked Long and myself for some money to help repay the loan. I didn't know what else he was going to do.

Mr. WEITZ. You did not know or did not overhear or understand that he or others were to ask other consultants and attorneys for AMPI to pay him some money to help him repay the loan?

Mr. JACOBSEN. No, I didn't know that.

Mr. WEITZ. Did you ever hear that discussed at the time?

Mr. JACOBSEN. No.

Mr. WEITZ. How much money did he ask you for, you and Mr. Long?

Mr. JACOBSEN. He asked us for \$5,000.

Mr. WEITZ. The loan was for \$100,000. Where was he to get the additional \$95,000?

Mr. JACOBSEN. Mr. Weitz, I don't know.

Mr. WEITZ. And Mr. Nelson or Mr. Parr or Mr. Lilly never told you or indicated how they were to help him repay the rest of the loan?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Why did you give him the \$5,000?

Mr. JACOBSEN. Because he asked for it.

Mr. WEITZ. Are these the checks—exhibit 7* to the Lilly executive session—are these copies of the checks which you and Mr. Long made out and cashed in order to give him the \$5,000?

Mr. JACOBSEN. We just gave him the checks; we gave the checks to Bob Lilly.

Mr. WEITZ. At the bank?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Who gave them the checks?

Mr. JACOBSEN. Mr. Long.

Mr. WEITZ. So you gave your check to Mr. Long, and he gave it to Mr. Lilly?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. At the bank?

Mr. JACOBSEN. I don't know.

Mr. McNELIS. Mr. Weitz, since we are talking about \$5,000, can we have it understood for the record that the total of the two checks was \$5,000, if I understand it correctly?

Mr. WEITZ. That is correct. Lilly exhibit 7 consists of copies of two checks, one in the amount of \$2,000 to Mr. Long and endorsed by Mr. Long and Bob Lilly, and one in the amount of \$3,000 to Mr. Jacobsen on their firm accounts endorsed by Mr. Jacobsen and Mr. Lilly, both dated December 17, 1969.

Did Mr. Lilly ever discuss with you the possibility of your firm billing AMPI for these payments?

Mr. JACOBSEN. He may have.

Mr. WEITZ. Did he?

Mr. JACOBSEN. I don't know. He may have talked to Mr. Long about that.

Mr. WEITZ. Didn't in fact you understand that you were to be repaid by AMPI, and that was the reason you agreed to pay him the money?

Mr. JACOBSEN. No.

Mr. WEITZ. Why did you pay him the money?

Mr. JACOBSEN. Because they were a good client, and it was worth the good business relations.

Mr. WEITZ. So you understand Mr. Lilly in this transaction was acting on behalf of the client?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. Did you check with Mr. Nelson about this before you gave him the \$5,000?

Mr. JACOBSEN. No.

Mr. WEITZ. How did you know that Mr. Lilly wasn't going to abscond and leave AMPI to pay the \$100,000?

*See Book 14, p. 6002.

Mr. JACOBSEN. Because I just didn't think he would.

Mr. WEITZ. And you never discussed it with Mr. Nelson?

Mr. JACOBSEN. I don't believe so.

Mr. WEITZ. You say they may have discussed with you—Mr. Lilly may have discussed with you the possibility of—with you or Mr. Long—the possibility of recouping the money from AMPI?

Mr. JACOBSEN. Yes, he may have.

Mr. WEITZ. Did he also discuss, with either you or Mr. Long, the possibility of charging AMPI for excess taxes incurred as a result of payments from MPI?

Mr. JACOBSEN. He may have, I don't know. He didn't talk to me about it.

Mr. McNELIS. I get a little confused when you say "we may have," the way the question is posed, since we are talking about a loan to Mr. Lilly. Can you answer with respect to yourself? It would help the record.

Mr. JACOBSEN. He didn't talk to me about it; he talked to Mr. Long, if he did any talking about it.

Mr. WEITZ. Did Mr. Long tell you about any such conversation or any such arrangements?

Mr. JACOBSEN. I don't recall; he may have.

Mr. WEITZ. You have no greater recollection, you can't be any more specific other than that he may have done so?

Mr. JACOBSEN. No, I really can't, Mr. Weitz, I am sorry; because Mr. Lilly did most of his dealings with Mr. Long.

Mr. DASH. This was a contemporaneous payment. It was not a loan; it was a payment to Mr. Lilly, totaling \$5,000. Other than, you say, the relationship of a good client, was there any reason for you to give Mr. Lilly the \$5,000?

Mr. JACOBSEN. Mr. Lilly was synonymous with AMPI to us.

Mr. DASH. So you thought you were giving AMPI \$5,000?

Mr. JACOBSEN. Yes.

Mr. DASH. And it was contemporaneous to the loan. So was it your understanding at the time this happened that at the time \$100,000 was being borrowed by Mr. Lilly with a security from AMPI, and you are giving Mr. Lilly \$5,000, you understood that to be really part of one transaction?

Mr. JACOBSEN. I don't know if I understood it that way or not, Mr. Dash.

Mr. DASH. Mr. Lilly was just getting \$100,000 from the bank on a loan, and on that same day you were giving him \$5,000 yourself?

Mr. JACOBSEN. Correct.

Mr. DASH. What was your understanding of why you were giving Mr. Lilly \$5,000?

Mr. JACOBSEN. To repay on the loan.

Mr. DASH. To repay on the loan. So, it was really part of one transaction?

Mr. JACOBSEN. Well—

Mr. WEITZ. I would like to show you an invoice dated December 17, 1969, to, "Attention Mr. Bob Lilly," in the amount of \$10,000 for specific litigation. And there is marked on it, "Paid 12-17-69," that very day.

Is this a copy of an invoice that your firm submitted?

Mr. McNELIS. Are we going to make that an exhibit with the next number?

Mr. WEITZ. Yes, exhibit 4.

[The document referred to was marked Jacobsen exhibit No. 4.¹]

Mr. JACOBSEN. Yes, that is a copy.

Mr. WEITZ. Who prepared the invoice?

Mr. JACOBSEN. Mr. Long prepared this billing.

Mr. WEITZ. Do you attach any significance to the fact that that is on the very same day, and it is indicated as being paid on the same day, as the transaction involving Mr. Lilly?

Mr. JACOBSEN. You would have to ask Mr. Long that, Mr. Weitz.

Mr. McNELIS. In all fairness, with respect to the question I do believe that that exhibit reflects that it is for a specific account with the firm for what is done, does it not?

Mr. WEITZ. That is what it indicates. I am asking Mr. Jacobsen the significance of this having been made and paid on the same day as the transaction.

Mr. JACOBSEN. You will just have to ask Mr. Long that. I don't know.

Mr. WEITZ. Was it your experience that bills to AMPI were paid on the same day that they received them?

Mr. JACOBSEN. No.

Mr. WEITZ. And that, in fact, you dated the invoice?

Mr. JACOBSEN. No, sir. That is most unusual.

Mr. WEITZ. Your law firm was located in Austin?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And AMPI was located in San Antonio?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you normally mail your bills to them?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And they normally mailed their checks to you?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Now, I show you a copy, which I will mark as exhibit 5, which you have submitted to us, of a deposit slip dated December 17, 1969, for Jacobsen and Long, depositing \$10,000 in your account. Is that a deposit slip indicating a deposit of the money from AMPI?

[The document referred to was marked Jacobsen exhibit No. 5.²]

Mr. JACOBSEN. Yes.

Mr. WEITZ. And that indicates to you, therefore, that the \$10,000 paid to you on December 17 for a December 17 invoice was received and deposited by you also on December 17?

Mr. JACOBSEN. That is what those papers indicate.

Mr. WEITZ. Do you recall any circumstances in connection with this billing or payment or the deposits?

Mr. JACOBSEN. No, I don't. It is Mr. Long's billing.

Mr. WEITZ. Did Mr. Long ever tell you anything about it?

Mr. JACOBSEN. No.

Mr. WEITZ. And you did not know that on the same day that you would pay Mr. Lilly \$5,000, you or Mr. Long, that you would recoup the money from AMPI?

Mr. JACOBSEN. No, I didn't.

¹ See p. 6482.

² See p. 6483.

Mr. McNELIS. That question again assumes, Mr. Weitz, that they recouped the money. That is a fact that I don't think you can assume in your question. There is no situation here yet that I have heard that there was an understanding that they were going to recoup the money in the sense that you are talking about—the \$5,000. I just don't see the fairness of a question the way it was put. There was no understanding of recoupment, according to this witness.

Mr. WEITZ. And that is what the witness answered.

Do you have any idea how much work was represented by this invoice for this particular case?

Mr. JACOBSEN. No, I don't. That was Mr. Long's case.

Mr. WEITZ. I want to show you, as part of exhibit 9¹ or the Lilly executive session, an invoice of Jacobsen and Long dated January 6, 1970, to Associated Milk Producers, "Attention Mr. Lilly," for the same case for \$10,000.

Is this such an invoice?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you know what work that represented?

Mr. JACOBSEN. No, but Mr. Long, I know, did a lot of work on that case. It was an antitrust suit for some million or so dollars. And Mr. Long was lead counsel and did a lot of work on the case. But I don't know specifically what that represented.

Mr. WEITZ. And do you know why there were two invoices, each in the amount of \$10,000, billed to AMPI in the space of 20 days on the same case?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Attached to the Lilly exhibit 9 also is a note indicating—it reads: "Bob Isham: This is a special billing from Joe Long."

Do you know anything concerning the background of that billing?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you normally bill for work separately from your monthly retainer bills?

Mr. JACOBSEN. Mr. Weitz, I don't know what Mr. Long did. I generally billed on the retainer bills. But Mr. Long evidently billed separately.

Mr. WEITZ. I would like to go through a number of checks, copies of checks, which you provided to us, and ask you whether you recall anything in connection with these checks.

The first one, which I will mark as exhibit 6, is a check dated January 8, 1970, in the amount of \$1,000 to Jake Jacobsen—and on the back it is endorsed "Jake Jacobsen" and "Joe R. Long." And the number of the check is 1485.

[The document referred to was marked Jacobsen exhibit No. 6.²]

Do you recall that check? And, if so, do you recall anything in connection with it?

Mr. JACOBSEN. No, sir. I don't recall the check or anything in connection with it.

Mr. WEITZ. Does that indicate to you that the check was cashed as opposed to deposited?

Mr. JACOBSEN. No, not necessarily.

It might have been deposited to one of Mr. Long's accounts.

¹ See Book 14, page 6005.

² See p. 6484.

Mr. WEITZ. Did you normally, when you were depositing a check, indicate "for deposit" on the back of the check?

Mr. JACOBSEN. Sometimes.

Mr. McNELIS. I can't make that out.

Mr. JACOBSEN. I can't either.

Mr. DASH. What was that?

Mr. WEITZ. All of these checks are Jacobsen and Long account checks.

Mr. DASH. And the amount——

Mr. WEITZ. \$1,000.

Another check on January 8, No. 1486, exhibit No. 7, to Mr. Long in the amount of \$1,000 with his endorsement on the back.

[The document referred to was marked Jacobsen exhibit No. 7.¹]

Mr. WEITZ. Do you recall anything in connection with that check?

Mr. JACOBSEN. No, sir; I don't.

Mr. WEITZ. A third check, exhibit No. 8, to Mr. Jacobsen on your account, January 30, 1970, for \$2,500. And there is no endorsement on the back.

[The document referred to was marked Jacobsen exhibit No. 8.¹]

Mr. WEITZ. Do you recall anything in connection with that check?

Mr. JACOBSEN. I sure don't.

Mr. WEITZ. When there is no endorsement, did you normally take such a check over to the bank and cash it when there is no endorsement on the back?

Mr. JACOBSEN. Oh, no. I believe I would have had to endorse it on the back if it were cashed. The check is to me from Mrs. Buckley.

Mr. WEITZ. She was your secretary?

Mr. JACOBSEN. Yes.

And I would have had to endorse it. This check must have been deposited.

Mr. WEITZ. If you took it over to a bank, to a teller who knew you, would they cash the check without your endorsement?

Mr. JACOBSEN. Oh, I doubt it.

Mr. WEITZ. Where would the check have been deposited.

Mr. JACOBSEN. I don't know—Citizens' National, probably.

Mr. WEITZ. Was that your personal account?

Mr. JACOBSEN. I had several accounts there, as you know.

Mr. WEITZ. I have two checks dated February 2, 1970, which I will mark as exhibits 9 and 10; check No. 1537 is exhibit 9 for \$3,000 to you, with your endorsement on the back; and check No. 1538 for \$2,000 to Mr. Long, which is exhibit 10, with his endorsement on the back.

[The documents referred to were marked Jacobsen exhibits Nos. 9 and 10.²]

Mr. WEITZ. Have you ever seen those two checks?

Mr. JACOBSEN. I don't recall; no.

Mr. WEITZ. Did Mr. Lilly ever——

Mr. DASH. Did you say one of the checks has your signature on the back?

Mr. WEITZ. Yes—one is Mr. Jacobsen and his endorsement, and one is Mr. Long and his endorsement.

¹ See p. 6484.

² See p. 6485.

Mr. DASH. You must have at one time seen the check——

Mr. JACOBSEN. Yes, I saw it.

Mr. DASH. Or you wouldn't have signed it——

Mr. JACOBSEN. Yes.

Mr. McNELIS. That is your signature?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you recall in either late January or early February Mr. Lilly coming to either you or Mr. Long and requesting an additional \$5,000 to help him repay the loan, or for any other purpose?

Mr. JACOBSEN. No; I don't recall it.

Mr. WEITZ. Late January or early February 1970?

Mr. JACOBSEN. No; I don't recall it.

He did come one other time, but I forget when that was.

Mr. WEITZ. We will get to that shortly.

Exhibit No. 11 is check No. 1569, your account, to you, Jake Jacobsen, dated February 23, 1970, in the amount of \$20,000. And that, too, has no endorsement.

Have you ever seen this check?

[The document referred to was marked Jacobsen exhibit No. 11.¹]

Mr. JACOBSEN. I don't recall having seen the check. It was evidently with a withdrawal from the firm, and it went into one of my accounts.

Mr. WEITZ. Exhibit No. 12, I will mark for identification check No. 1577 to you on March 2, 1970, in the amount of \$4,000. And that also has no endorsement.

Have you ever seen that check, do you recall?

[The document referred to was marked Jacobsen exhibit No. 12.²]

Mr. JACOBSEN. I don't recall having seen the check.

Mr. WEITZ. But that, too, you assume was deposited in your account?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. And you don't recall cashing that check?

Mr. JACOBSEN. Oh, no.

Mr. WEITZ. I want to show you two checks, exhibit No. 8³ to the Lilly executive session.

Exhibit 8 consists of check No. 1763, June 12, 1970, to Jake Jacobsen, in the amount of \$2,875, and on the back it is endorsed "Jake Jacobsen, pay to order First National Bank, Bob A. Lilly," and check No. 1764 dated June 12, 1970, to Joe R. Long, in the amount of \$2,125. And that is endorsed "Joe R. Long, for deposit only, pay * * * First National Bank, Bob A. Lilly."

Have you ever seen, or do you recall, those two check in particular?

Mr. JACOBSEN. That is my signature on the back of it.

Mr. WEITZ. Do you recall the circumstances under which those checks were made?

Mr. JACOBSEN. Yes. Mr. Lilly asked us for another \$5,000, and we gave it to him.

Mr. WEITZ. Do you remember when he asked for the \$5,000?

Mr. JACOBSEN. It must have been around June 12.

Mr. WEITZ. Did he tell you what he wanted the \$5,000 for?

Mr. JACOBSEN. To repay on the loan.

¹ See p. 6485.

² See p. 6486.

³ See Book 14, page 6003.

Mr. WEITZ. If I recall, the loan was a 60-day loan made on December 17, 1969, and June of 1970 was well beyond the 60-day period.

Did he explain to you what had happened in the interim?

Mr. JACOBSEN. No; I don't think he explained it, but I assume the loan had been renewed.

Mr. WEITZ. Do you know how much was still owing on the loan?

Mr. JACOBSEN. No, I didn't know.

Mr. WEITZ. Did he tell you, or did you know whether he had paid or obtained any other funds toward the loan other than the first \$5,000 from you and Mr. Long?

Mr. JACOBSEN. No, he didn't say.

Mr. DASH. To renew the loan—would the loan committee have to do that?

Mr. JACOBSEN. No, the president of the bank could renew the loan.

Mr. WEITZ. Do you know whether Mr. Lilly or Mr. Nelson or anyone else from AMPI discussed with you or Mr. Long at that time the arrangement for recouping this \$5,000 from AMPI?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you bill AMPI to cover their \$5,000 payment?

Mr. JACOBSEN. No, not that I know of.

Mr. WEITZ. Did Mr. Long do so?

Mr. JACOBSEN. I don't think so.

Mr. WEITZ. Did you ever discuss the matter with Mr. Long at that time or before or after?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. I would like to show you Lilly exhibit 10,¹ an invoice dated April 21, 1970, from Jacobsen and Long to Mr. Lilly, which is a cover letter to an invoice in the amount of \$10,000 of the same date—and the letter reads:

Dear Bob: Enclosed is the bill with regard to Associated Milk Producers versus Texas Agricultural Animal Health Commission, which you requested.

Have you ever seen that invoice?

Mr. JACOBSEN. No.

Mr. WEITZ. Is that an invoice of your firm?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you have any idea in what connection Mr. Lilly requested that that invoice be submitted to AMPI?

Mr. JACOBSEN. Probably after Mr. Long got through doing the work.

Mr. WEITZ. Was that the termination of that matter?

Mr. JACOBSEN. Evidently.

Mr. WEITZ. You don't recall?

Mr. JACOBSEN. I don't know. You will have to ask Mr. Long.

Mr. WEITZ. I would like to mark for identification exhibit 13, which is a check No. 1811, on Jacobsen and Long firm account, dated July 14, 1970, to Jake Jacobsen, in the amount of \$10,000, with no endorsement on the back.

Is that a check to you?

[The document referred to was marked Jacobsen exhibit No. 13.²]

¹ See Book 14, page 6007.

² See p. 6486.

Mr. JACOBSEN. Yes, that is a check to me. That is a check to me, and I can't understand how these "no endorsements" got in this thing at all. She must have been depositing to the account without endorsing it.

Mr. WEITZ. Would those all have been deposited at the same time?

Mr. JACOBSEN. Not necessarily, they would have been deposited in one of my accounts at Citizens' National Bank.

Mr. DASH. Does the back of the check show the deposit stamp?

Mr. JACOBSEN. Yes—I can't read that—it has the teller's number on it.

[Off the record.]

Mr. WEITZ. Let me go back for a minute and ask you—the checks dated December 17, 1969, which we first identified, were in the amounts of \$3,000 to you and \$2,000 to Mr. Long. Why were the two checks in different amounts?

Mr. JACOBSEN. Because it was our percentage of ownership in the firm.

Mr. WEITZ. 60 percent and 40 percent?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And the two checks dated June 12, 1970, which you identified in the amounts of \$2,875 and \$2,125—what was the reason for that split?

Mr. JACOBSEN. That was our percentage of the firm at the time.

Mr. WEITZ. Was it 55 percent, 45 percent?

Mr. JACOBSEN. I think so. I don't know what that comes from.

Mr. WEITZ. Did there come a time when Mr. Lilly, after these two occasions that you have indicated, asked you or Mr. Long for additional moneys?

Mr. JACOBSEN. No, he didn't ask me for any additional money.

Mr. WEITZ. Did he ask Mr. Long for additional moneys?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Let me mark as exhibits 14 and 15—check No. 1836, which is exhibit 14, July 24, 1970, to Jake Jacobsen, in the amount of \$5,750; and on the same date, exhibit 15, check No. 1835 in the amount of \$4,250 to Joe R. Long.

[The documents referred to were marked Jacobsen exhibits Nos. 14 and 15.*]

Mr. WEITZ. Your check is endorsed with your signature, it appears, and Mr. Long's with his.

First of all, exhibit 14—is that your signature on the back?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And exhibit No. 15—either of the checks—do you recall ever seeing them, other than the fact that your endorsement is on one?

Mr. JACOBSEN. Other than the fact that my endorsement is on them; no, I don't.

Mr. WEITZ. Do you attach anything significant to the fact that those two checks are in relation of 55 percent and 45 percent, one to the other?

Mr. JACOBSEN. Yes. We probably drew that much out of the firm.

Mr. WEITZ. And you don't attach any significance to that in relation to any transaction involving Mr. Lilly?

Mr. JACOBSEN. No.

*See pp. 6486 and 6487.

Mr. WEITZ. I would like to show you Lilly exhibit 11 *, an invoice from Jacobsen and Long to the Associated Milk Producers, dated July 16, 1970, in the amount of \$22,000, broken down on three different matters.

One, for \$10,000 for *Associated Milk Producers v. Texas Animal Health Commission*, which was the matter which was the subject of the April billing, and two other matters.

Is this an invoice of your firm—a copy of an invoice from your firm?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you recall the circumstances or the reason for that billing?

Mr. JACOBSEN. No.

This is one of Mr. Long's billings.

Mr. WEITZ. And that portion of that bill did not represent payment to your firm to cover the payment of \$10,000 in July or August of 1970 to Mr. Lilly?

Mr. JACOBSEN. Not that I know of.

Mr. WEITZ. And to your knowledge neither you nor Mr. Long made any additional payments to Mr. Lilly or at the direction of Mr. Lilly or anyone at AMPI for political purposes following the payment in June 1970?

Mr. JACOBSEN. To my best knowledge, that is correct.

Mr. WEITZ. Did you ever make a contribution as a campaign contribution out of your own funds to the Nixon campaign?

Mr. JACOBSEN. No.

Mr. WEITZ. What do the two payments which you made to Mr. Lilly represent?

Mr. JACOBSEN. Repayments of a loan.

Mr. WEITZ. And what was the purpose of the loan?

Mr. JACOBSEN. To reimburse TAPE for the money that they had taken out of the bank.

Mr. WEITZ. Didn't you in fact help Mr. Lilly refund TAPE and therefore pay for a contribution to Mr. Nixon?

Mr. McNELIS. Mr. Weitz, if you were going to ask the question whether he made any contribution to Mr. Nixon out of his own funds, and then in a logical deduction from that to compel the answer that he did in effect through a chain of events wind up making a contribution to Mr. Nixon, if that is what you are driving at, I will let the witness explain how that happened. But to put the question this way, did he make a contribution to Nixon out of his own funds, to the Nixon campaign, his answer is no. Is that correct?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. Did you make funds available to enable a contribution to be made or to be completed for the President?

Mr. JACOBSEN. I made funds available to repay a loan for Bob Lilly that went to replace money from TAPE that went to Mr. Kalmbach.

Mr. DASH. And your only reason for doing that was your business relationship with him?

Mr. JACOBSEN. Yes.

Mr. DASH. So in a sense it was a gift to him?

* See Book 14, page 6010.

Mr. JACOBSEN. Yes. They were our business clients.

Mr. DASH. Did you consider it as sort of a fee return—returning some of the fee?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. I would like to show you Lilly exhibit 12,¹ an invoice dated August 31, 1970, to AMPI from your firm for \$22,000—in the amount of \$22,000, including an \$8,000 charge for *Associated Milk Producers v. Texas Agricultural Animal Health Commission*, the same subject matter of the July and April billings that we have identified.

Is this an invoice of your firm?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And do you recall the reason for the billing, other than what is stated on the face of it?

Mr. JACOBSEN. No, sir. It is Mr. Long's billing.

Mr. WEITZ. And do you know whether or not any of that money represented a repayment to your firm for moneys paid to Mr. Lilly or at his direction for AMPI?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Do you know whether that was the case?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. The check which I want to mark as exhibit 16, No. 1920, dated September 9, 1970, to you, with apparently your endorsement on the back in the amount of \$5,750—is that your signature on the back of the check?

[The document referred to was marked Jacobsen exhibit No. 16.²]

Mr. JACOBSEN. Yes.

Mr. WEITZ. The records of your bank statements indicate another check on that day which was not provided to us, in the amount of \$4,250.

Do you know of any such other check?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Could you search your records or those of the trustees in bankruptcy to find the check that apparently the withdrawal reflected on your bank statement for that month?

[Off the record.]

Mr. WEITZ. Finally, for the year 1970, I will mark as exhibit 17, a check in the amount of \$5,000 to Mr. Long, with check No. 1951, dated October 5, 1970. And in the record provided us there was no copy of an endorsement on the back.

[The document referred to was marked Jacobsen exhibit No. 17.²]

Mr. WEITZ. Do you know anything in connection with a copy of that check?

Mr. JACOBSEN. No.

The boy who made the copies told me that he just didn't get the copies back on this one.

Do you want us to get it for you?

Mr. WEITZ. Please.

Mr. McNELIS. I don't know whether I left a note on your pile or not—there is no endorsement to one check.

I'm sorry; that is my mistake.

[Off the record.]

¹ See Book 14, page 6012.

² See p. 6487.

Mr. WEITZ. In connection with the matter of import quotas for dairy products, did you have anything to do with AMPI's efforts to reduce or eliminate such quotas in the fall of 1970?

Mr. JACOBSEN. No.

Mr. WEITZ. None whatsoever?

Mr. JACOBSEN. No.

Mr. WEITZ. Were you aware—did you attend the annual convention of AMPI in September 1970?

Mr. JACOBSEN. I attended one of the two conventions.

Mr. WEITZ. And you attended the one at which the President did not speak?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. Do you recall whether that was the one in 1970?

Mr. JACOBSEN. No, I don't, Mr. Weitz.

We went through this once before. I should have called somebody to refresh my memory, but I didn't.

Mr. WEITZ. Did you talk to Mr. Nelson or Mr. Parr at any time during the fall of 1970 in connection with their attempt—the summer or fall of 1970, in connection with their attempts to have the President attend that annual meeting?

Mr. JACOBSEN. Yes, I did.

Mr. WEITZ. And what did they tell you?

Mr. JACOBSEN. That they were trying to get the President.

Again, let me say that the one that he didn't speak at, is that the one you were talking about?

Mr. WEITZ. I believe that was in 1970.

Mr. JACOBSEN. That is the one he didn't attend?

Mr. WEITZ. Yes; the first one.

Mr. JACOBSEN. 1970—he attended the one in 1971.

Mr. WEITZ. That is what I understand.

Mr. JACOBSEN. That gives me a point to talk from.

In 1970 I knew they tried to get President Nixon to attend the convention, because they talked to me and talked to me about the feasibility of having President Johnson call President Nixon to try to get him to attend.

Mr. WEITZ. Was President Johnson contacted?

Mr. JACOBSEN. No, not by me, he wasn't. I wouldn't do that.

Mr. WEITZ. Did they ask you to gain the assistance of Mr. Connally in that connection?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know who in the administration they did talk to to try to obtain the President's attendance at that meeting?

Mr. JACOBSEN. No, I really don't, Mr. Weitz.

Mr. WEITZ. Do you know the firm of Reeves Harrison?

Mr. JACOBSEN. I know—which one is Harrison—his first name?

Mr. WEITZ. Would that be Marion Harrison?

Mr. JACOBSEN. Yes, I knew Mr. Harrison.

Mr. WEITZ. Were you aware that they were retained by AMPI at that time in 1970?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you know that Pat Hillings was counsel to that firm?

Mr. JACOBSEN. No, I didn't.

Mr. WEITZ. Do you know Pat Hillings?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Were you aware whether Mr. Nelson and Mr. Parr met with the President sometime in 1970?

Mr. JACOBSEN. No.

Mr. WEITZ. Has someone told you that they met with him, or have you heard that they met with him?

Mr. JACOBSEN. In 1970?

Mr. WEITZ. Yes.

Mr. JACOBSEN. No, I don't know in 1970——

Mr. WEITZ. Were you aware of any discussions in connection with additional contributions to the President's campaign by TAPE or any of the dairy companies?

Mr. JACOBSEN. No, I was not aware of the additional contributions in 1970.

Mr. WEITZ. What about discussions with regard to making additional contributions?

Mr. JACOBSEN. No, I didn't know about that.

Mr. WEITZ. Do you know who the dairy people contacted or met with principally in the White House when they had any such meeting or contacts?

Mr. JACOBSEN. No, sir. That was all done through Reeves and Harrison.

Mr. WEITZ. Did you understand that Mr. Colson was one of the principal contacts in the White House?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Did you know in 1970 of any discussions or any other references to possible contributions or commitments of contributions by the dairy people to the President's reelection?

Mr. JACOBSEN. No, I didn't.

All I know about that is what I read in the paper in that letter from Mr. Hillings.

Mr. WEITZ. Other than what you have read in the paper, do you know whether the dairy people in the fall of 1970 were in contact with Mr. Kalmbach again in connection with contributions?

Mr. JACOBSEN. Not through me.

Mr. WEITZ. Do you know whether through anyone else?

Mr. JACOBSEN. No, I don't.

Mr. McNELIS. Excuse me.

I don't know whether that is an answer to the question you are asking.

The question was, does he know?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. They weren't through you. And do you know whether they were in contact with him through anyone else?

Mr. JACOBSEN. I don't.

Mr. WEITZ. Do you know Tom Evans?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know whether the dairy people were in contact with him with regard to contributions to the President's reelection?

Mr. JACOBSEN. No, I don't.

Mr. DASH. You were still retained during this period of time as sort of a political adviser to him, weren't you?

Mr. JACOBSEN. No, they didn't talk to me about Tom Evans; I don't even know who he is.

Mr. WEITZ. Did there come a time in 1971 when you represented AMPI in their effort to obtain an increase in milk price supports?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And could you tell us what you did in their behalf?

Mr. JACOBSEN. Well, I talked to Secretary Connally twice about the increase in price supports, once before March 12, and once after March 12 and before March 25.

Mr. WEITZ. Do you recall how often you talked with Mr. Connally or how many times you talked with Mr. Connally? Were these the only two times you talked with Mr. Connally during that period of time?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Do you recall any other matter that you discussed with Mr. Connally during that period of time?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Can you tell us how you came to talk with him the first time?

Mr. JACOBSEN. Well, the first time I knew from Mr. Parr and Mr. Nelson that the dairy quota was under consideration. And I had hoped that Secretary Connally would be consulted about it, or at least become interested in it. And I made it a point to talk to him about the fact that I thought the Agriculture Department was planning to set the import quota or the price-support level at a low figure and hoped that he would try to use his influence to get it raised to a more reasonable figure.

Mr. WEITZ. Did you talk to him at this time or any other time about import quotas in connection with the dairy industry?

Mr. McNELIS. Excuse me. I do understand that he says he had two conversations. I am getting confused.

Mr. WEITZ. We are still talking about the first one, but since I mentioned import quotas—

Mr. McNELIS. And the first one was around March 12, or prior—

Mr. WEITZ. That was Mr. Jacobsen's testimony.

Mr. McNELIS. I don't recall talking to him about it.

Mr. WEITZ. What was Mr. Connally's response?

Mr. JACOBSEN. He said he would try to be helpful if he could.

Mr. WEITZ. Did he say how he would be helpful?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you say he would discuss it with the Secretary of Agriculture?

Mr. JACOBSEN. No, he didn't say what he would do or wouldn't; he said he would try to be helpful if he could.

Mr. WEITZ. Did you or he discuss political contributions by the dairy people?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did you and he discuss political support by the dairy people for the President?

Mr. JACOBSEN. Well, I believe I mentioned that this was a large organization, and that if the quotas were set low and it would hurt the President's support within this organization—

Mr. WEITZ. You say you did not discuss contributions with Mr. Connally?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Who asked you to go to see Mr. Connally?

Mr. JACOBSEN. Nobody.

Mr. WEITZ. You volunteered?

Mr. JACOBSEN. I volunteered.

Mr. WEITZ. Who in AMPI did you tell you were going to see Mr. Connally?

Mr. JACOBSEN. Mr. Parr and Mr. Nelson.

Mr. WEITZ. Did you report back to them after your meeting with Mr. Connally?

Mr. JACOBSEN. I am sure I did.

Mr. WEITZ. Do you recall reporting back to them?

Mr. JACOBSEN. I don't recall it, no; but I am sure I did.

Mr. WEITZ. Do you remember what you told them about your meeting with Mr. Connally?

Mr. JACOBSEN. No. I am sure I told them that I had a very satisfactory meeting with Secretary Connally, and that he said he would be as helpful as he could.

Mr. WEITZ. Was Secretary Connally optimistic in the meeting about the likelihood of obtaining an increase for the dairy industry?

Mr. JACOBSEN. I couldn't say he was either optimistic or pessimistic.

Mr. WEITZ. At this time when you presumably reported back to Mr. Nelson and Mr. Parr about your meeting with Mr. Connally, did you discuss political support or political contributions with them to the Republican Party?

Mr. JACOBSEN. Well, I don't recall if it was at that time or some other time. But they did a lot of talking about making substantial contributions to the Nixon administration.

Mr. WEITZ. Did they indicate any specific amounts?

Mr. JACOBSEN. Oh, the figures were in the millions.

Mr. WEITZ. In the millions?

Mr. JACOBSEN. Yes.

Mr. WEITZ. More than \$2 million?

Mr. JACOBSEN. I don't recall—

Mr. WEITZ. Did they use the phrase "millions," or did they mention some various amounts that were in the millions?

Mr. JACOBSEN. I don't recall specifically, but the talk was about big money.

Mr. WEITZ. To the President for his reelection?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did they indicate that they had discussed contributions with any fundraisers or anyone else representing the President?

Mr. JACOBSEN. No, I don't think they did.

Mr. WEITZ. With anyone in the administration or any administration fundraisers?

Mr. JACOBSEN. No, sir, not that I know of.

Mr. WEITZ. So this was just a discussion which they had with you about contributing in the millions to the Presidents reelection?

Mr. JACOBSEN. That is all I can testify to.

Mr. WEITZ. Do you recall when this conversation or conversations took place?

Mr. JACOBSEN. No, it was during the period of time—I know it was during the period of time that the price support problem came up.

Mr. WEITZ. This was in February and March of 1971?

Mr. JACOBSEN. Yes.

Mr. WEITZ. The 1972 election was a year and a half away.

Did they indicate why they were interested at that time in discussing, or why in fact they discussed making contributions in the millions to the President's reelection?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did they indicate that such contributions might increase the likelihood of obtaining an increase?

Mr. JACOBSEN. No, not that I know of, Mr. Weitz.

Mr. WEITZ. You were there.

Mr. JACOBSEN. I was there, yes.

Mr. WEITZ. Did they express the hope that it would have that effect?

Mr. JACOBSEN. I don't recall, Mr. Weitz. And I hate to speculate about something like that.

Mr. DASH. This conversation, I understand, was in conjunction with your reporting back to them as to your meeting with Mr. Connally?

Mr. JACOBSEN. No, it wasn't.

Mr. WEITZ. It definitely was not—there were two separate meetings?

Mr. JACOBSEN. No, there were several meetings during this time. And what I am saying is, these conversations about money took place at the time—during the period of time the price support matter was before the administration.

Mr. WEITZ. And you saw the Secretary when that matter was before the administration?

Mr. JACOBSEN. Oh, yes.

Mr. DASH. I understand that their interest in supporting the President still was to get a beneficial reaction.

Mr. JACOBSEN. He has asked me to assume that, and I would have to assume it.

Mr. WEITZ. I didn't ask you to assume it. I asked you whether in fact they expressed the hope or indicated that that was the purpose.

Mr. JACOBSEN. No; they did not.

Mr. DASH. Was it necessary to express it? You all were working in the same direction. Was it an understanding that you all had that such a contribution would be aimed in the direction of getting a beneficial result?

Mr. JACOBSEN. Mr. Dash, I would have to assume that would be right.

Mr. DASH. I mean, reasonable men working together under such circumstances would expect a particular result, would they not?

Mr. JACOBSEN. I would have to assume that would be right. But I hate to assume the answer to a question.

Mr. WEITZ. In 1969, \$100,000 had been contributed, you have testified, in order to gain, as you understood it, a sympathetic ear in the administration?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And was any such similar characterization or expression made with regard to contributions in the millions when these references were made in 1970-71?

Mr. JACOBSEN. Mr. Weitz, let me explain. These conversations took place with Mr. Nelson and Mr. Parr primarily talking to each other,

and I would just overhear what they were saying. I was not involved in the contributions to the Republicans. That was done all through Reeves and Harrison.

Mr. WEITZ. Do you recall whether Mr. Lilly was present during any such meeting?

Mr. JACOBSEN. I don't recall.

Mr. WEITZ. Do you recall whether Marion Harrison was present during any of these meetings or discussions?

Mr. JACOBSEN. I don't recall.

Mr. WEITZ. Was Mr. Harrison present during most of the meetings in February and March that you attended in which strategy and contacts with various administration officials were discussed?

Mr. JACOBSEN. No.

Mr. WEITZ. He was not?

Mr. JACOBSEN. No.

Mr. WEITZ. How often was he there when you were there?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Do you recall any instances in which you were present and he was present?

Mr. JACOBSEN. I don't really recall any that he was present. But I am just assuming that he was present at some of them.

Mr. WEITZ. And did there come a time when you discussed this matter again with Secretary Connally?

Mr. JACOBSEN. Yes; after the unfavorable action by the administration.

Mr. WEITZ. And if that was on March 12, then it would have been after March 12, 1971, but before the second decision?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you recall whether it was closer to the first or closer to the second decision in time when you talked to the Secretary?

Mr. JACOBSEN. No, I don't, Mr. Weitz.

Mr. WEITZ. And did someone ask you to meet with him?

Mr. JACOBSEN. No; I think I volunteered to do that.

Mr. WEITZ. Did you tell Mr. Nelson and Mr. Parr that you were going to meet with the Secretary?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And it—did they express approval?

Mr. JACOBSEN. Yes.

Mr. WEITZ. They were anxious that you meet with him?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. What took place at your meeting with Mr. Connally?

Mr. JACOBSEN. Again, I expressed the bad consequences of the administration's action, with the cost of feed going up and the various problems in the dairy industry. I discussed the bad consequences of the administration's decision to lower or to have the lowest price support in the history of the dairy industry. And I asked Secretary Connally if he would help if he was consulted to get it raised.

Mr. WEITZ. What was his response?

Mr. JACOBSEN. He said he would do what he could to be helpful.

Mr. WEITZ. He said that the first time? Did he indicate who he might talk to to be more effective the second time?

Mr. JACOBSEN. No.

Mr. WEITZ. Did he indicate whether, in fact, after the first meeting whether he had talked to anyone on behalf of the dairy people?

Mr. JACOBSEN. Yes; he told me that he had talked to some people.

Mr. WEITZ. Did he say he had talked to the President?

Mr. JACOBSEN. No; he didn't tell me that.

Mr. WEITZ. Did he—he didn't tell you he hadn't talked to the President?

Mr. JACOBSEN. No.

Mr. WEITZ. Did he tell you to whom he had talked?

Mr. JACOBSEN. No.

Mr. WEITZ. At that meeting, did you discuss political contributions by the dairy people?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did you discuss political support by the dairy industry?

Mr. JACOBSEN. No; I don't believe I did. I believe I mentioned the effectiveness of these people, in that they had gone up to the Hill and gotten some signatures on a bill which would be in effect talking about politics.

Mr. WEITZ. You say that you did not have any other meetings with Secretary Connally on the question of milk price supports during this period between—in February or March of 1970?

Mr. JACOBSEN. Not to my best recollection.

Mr. WEITZ. I have here a summary—which I won't enter as an exhibit because it is just a summary—of Mr. Connally's logs for that period—indicate that you talked or met with Mr. Connally four times from February 25, 1971, to March 25, 1971.

I would like you to go through this and see if you can pinpoint the date when you met Secretary Connally with reference to the milk price support question.

On February 25, 1971, you called Mr. Connally. The first time you met with him you actually met with him in person in his office?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And so that was not the occasion you first described?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Do you know why you called him on February 25?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. You don't recall any other matters that you may have discussed with the Secretary in February and March of 1971?

Mr. JACOBSEN. No; I don't.

Mr. DASH. To set up a meeting with the Secretary, would you have called him on the telephone?

Mr. JACOBSEN. I probably would.

Mr. WEITZ. The next occasion is March 4, 1971—you met with Mr. Connally and an agent named Larry Temple from 9:20 to 10:30 a.m.

Do you recall that meeting?

Mr. JACOBSEN. Yes; I recall it.

Mr. WEITZ. What was the purpose of that meeting?

Mr. JACOBSEN. The purpose of that meeting was to give Secretary Connally some photographs that we had made for him.

Mr. WEITZ. Who was Larry Temple?

Mr. JACOBSEN. He is a lawyer in Austin. He used to be Secretary Connally's assistant.

Mr. WEITZ. Why did it take an hour and 10 minutes?

Mr. JACOBSEN. Because he wanted to talk about Texas politics.

Mr. WEITZ. Did he talk about the price support question at all?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you raise it at all?

Mr. JACOBSEN. Oh, no.

Mr. WEITZ. The next occasion is March 19, 1971. And that means that the only time—

Mr. JACOBSEN. Then I must have raised it at the time Temple was there.

Mr. WEITZ. With Mr. Temple present?

Mr. JACOBSEN. I don't know if Temple—Temple might have left the room; I don't know.

Mr. WEITZ. Do you recall conferring with the Secretary alone on that occasion?

Mr. JACOBSEN. I may have; yes.

Mr. WEITZ. Were you alone when you discussed the matter of milk price supports before the first decision?

Mr. JACOBSEN. Yes; I think I was.

Mr. WEITZ. So if the Secretary's records are accurate, and if you only met with him in February and March of 1971, once before the first decision, the—presumably on March 4, 1971, for a portion of the time indicated in his records—

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And do you recall how long the meeting took place?

Mr. JACOBSEN. No.

Mr. WEITZ. Where is Mr. Temple now?

Mr. JACOBSEN. He is in Austin.

Mr. WEITZ. And what is his position? He is a lawyer there, you say?

Mr. JACOBSEN. Yes.

Mr. WEITZ. You were in Washington for a period of time in March 1971? In other words for more than a day or two, for more than the times when you met with the Secretary?

Mr. JACOBSEN. No. That was during the period of time when I would come up here about once a week, Mr. Weitz, and spend 2 or 3 days up here.

Mr. WEITZ. So you were here for a number of days in March of 1971?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Now, the next time you met with the Secretary, it was also in person in his office?

Mr. JACOBSEN. Yes.

Mr. WEITZ. How was that meeting arranged?

Mr. JACOBSEN. I called the Secretary, I think, and made the appointment.

Mr. WEITZ. Why didn't you call his secretary the first time to make an appointment rather than the Secretary himself?

Mr. JACOBSEN. Well, sometimes when I would try to talk to the Secretary he would find out I was on the line and get on the line. I always tried to make them through his secretary.

Mr. WEITZ. And the next meeting indicated with you and Mr. Connally is on March 19, 1971, from 12:10 to 12:25, you and Mr. Connally. Is that the meeting in which you discussed milk price supports?

Mr. JACOBSEN. It sounds like it.

Mr. WEITZ. And neither at that meeting or the first meeting did you discuss political contributions?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Now, in your deposition of November 7, 1973, in the case of Nader against Butz, on page 29 you were asked the following:

"Did you discuss at either of those meetings"—referring to the two meetings with Mr. Connally—"the question of political campaign contributions by the dairy industry to President Nixon?"

And your answer: "I don't recall mentioning that, but I may."

Mr. JACOBSEN. In the original of that deposition, the signed copy, I struck off "but I may."

Mr. WEITZ. Are you referring to the previous question which said "at either of those meetings did you discuss the question of political support for President Nixon from the dairy farmers?"

Your answer: "I don't recall mentioning that." Period. And you struck out after that "but I may have."

Now, there is no similar line for the answer which I first read.

Mr. JACOBSEN. I meant to do that.

Mr. WEITZ. So your testimony now—your intended testimony now—is that you don't recall mentioning that?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. And today you have told us that you did not mention that?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. How have you refreshed your recollection? Are you more certain today than you were at that time?

Mr. JACOBSEN. No; not any more certain.

Mr. WEITZ. So, in fact, your answer to us today is that you don't recall mentioning either political support or campaign contributions?

Mr. JACOBSEN. Well, actually, a mistake was made.

I meant to strike through the one down here—

Mr. DASH. When you say you don't recall, just so that I understand, does that mean that you could have but don't recall?

Mr. JACOBSEN. That is right.

Mr. DASH. So that "but I may," is correct in that answer—you don't recall, but you may have?

Mr. JACOBSEN. I meant to strike out "but I may." Down here. And leave it up here.

Mr. WEITZ. Mr. Dash's question is, the answer to both of those questions is: "I don't recall." To which you attach the significance, the meaning that you may or may not have. You said this in your deposition, and the answers are correct as originally recorded and transcribed?

Mr. JACOBSEN. They may be.

[Off the record.]

Mr. WEITZ. Did you report back after your second meeting with Mr. Connally to the dairy people?

Mr. JACOBSEN. Yes, I did.

Mr. WEITZ. What did you tell them about the meeting?

Mr. JACOBSEN. I told them I had another satisfactory meeting with Secretary Connally, and he said he would try to be as helpful as he could.

Mr. WEITZ. This was on March 19—and then there is a call indicated on March 23, 1971, Jacobsen called Connally.

Do you recall that call?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Do you remember that on March 23, 1971, the dairy people met with the President?

Mr. JACOBSEN. Yes, they told me they did.

Mr. WEITZ. In your call to Mr. Connally did you discuss that meeting?

Mr. JACOBSEN. No.

Mr. WEITZ. You definitely did not discuss that meeting?

Mr. JACOBSEN. I didn't discuss it.

Mr. WEITZ. What did you discuss?

Mr. JACOBSEN. I don't remember.

Mr. WEITZ. How can you be certain, then, that you didn't discuss the price support question?

Mr. JACOBSEN. I may have discussed the price support question, but I didn't discuss the meeting of the dairy people with the President, because I didn't know much about that.

Mr. WEITZ. Did the Secretary indicate that the President had met with him that day?

Mr. JACOBSEN. No, he didn't.

Mr. McNELIS. May I ask a question?

Were you aware of the meeting with the President, the dairy people?

Mr. JACOBSEN. They told me about it, Parr and Nelson.

Mr. McNELIS. Prior or after? Were you aware that they were going to meet with the President—is my specific question?

Mr. JACOBSEN. I'm not sure.

Mr. WEITZ. Are you aware that Mr. Connally met with the President and other Presidential advisers also on the 23d?

Mr. JACOBSEN. No.

Mr. WEITZ. Did Mr. Connally mention any meeting or any conversations he had or was going to have with the President in your call to him on March 23?

Mr. JACOBSEN. No, he didn't.

Mr. WEITZ. On March 23, was Mr. Connally encouraging about the milk price support question?

Mr. JACOBSEN. No.

Mr. WEITZ. You don't recall discussing it at all?

Mr. JACOBSEN. I don't recall discussing it, but I probably did discuss it. It was a matter that was on my mind.

Mr. McNELIS. Do you have the time of that telephone conversation of March 23, Mr. Weitz?

Mr. WEITZ. No. Mr. Connally's logs don't indicate times generally, except in calls to and from the President.

Do you recall, or are you aware of any conversations on March 23 or March 24 of 1971, that is, the day they have met with the President—the dairy people met with the President—and the subsequent day, in which the matter of dairy price supports were discussed which you either attended or which you heard about?

Mr. JACOBSEN. No, I don't recall any meeting at all.

Mr. WEITZ. Were you meeting with them at that time, were you in Washington at that time?

Mr. JACOBSEN. I don't know if I was in Washington or not, Mr. Weitz.

Mr. WEITZ. Do you know of any discussions concerning political contributions on either of those 2 days?

Mr. JACOBSEN. No, I don't recall.

Mr. WEITZ. You said before that there were a number of meetings throughout this period in which Mr. Nelson and Mr. Parr were talking about political contributions to the President?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So you are not certain whether or not they took place on March 23 or March 24?

Mr. JACOBSEN. No, I am not sure. I know on March 25 I was someplace in Iowa. And I don't know if I was in Washington on the 23d or 24th or not.

Mr. WEITZ. Did you ever discuss with Mr. Nelson or Mr. Parr during February or March of 1971 the necessity of contributing new money to the President's reelection effort, or new money to the Republicans?

Mr. JACOBSEN. No more than just their regular conversations that they were having about distributing money.

Mr. McNELIS. That expense record we sent up, do you have it here? I bring it up because since he mentioned the visit to Iowa, it may refresh his recollection as to that.

Mr. WEITZ. We have it here.

You will have to identify it. This was provided to me. I don't know what this is.

Mr. JACOBSEN. It is a client disbursement sheet for AMPI.

Did you have the page?

Mr. WEITZ. It is toward the back.

Did you fill this out?

Mr. JACOBSEN. No; my secretary filled it out.

Mr. WEITZ. Did you review this after it was completed?

Mr. JACOBSEN. No.

Mr. McNELIS. I might say, Mr. Weitz, that document to my understanding was presented to you through me, I received it from the firm after talking to Mr. Long and advising him as to what you want with respect to the AMPI records that the firm had, that came to me and I delivered it to you.

Mr. WEITZ. I believe that this is the page that has no page number on it. But it seems to reflect certain disbursements in March of 1971.

Did that reflect all disbursements and all travels of yourself?

Mr. JACOBSEN. It is supposed to, Mr. Weitz.

Mr. WEITZ. If you flew on a company plane would it indicate that?

Mr. JACOBSEN. No.

Mr. WEITZ. AMPI had a company jet at that point?

Mr. JACOBSEN. Yes. And I flew on it considerably.

On the 25th I had a trip to Minnesota. On the 18th I had a trip to Washington. So I wasn't in Iowa, I was in Minnesota on the 25th.

Mr. WEITZ. But you were in Washington before that time, some time in March of 1971?

Mr. JACOBSEN. Yes, on the 18th.

Mr. DASH. That was probably just prior to your meeting with Mr. Connally?

Mr. WEITZ. That is right, on the 19th.

Mr. JACOBSEN. Yes.

Mr. WEITZ. Are you aware of political contributions made by TAPE to Republican committees in March of 1971?

Mr. JACOBSEN. I am aware of them now. Yes.

Mr. WEITZ. And how did you become aware of them?

Mr. JACOBSEN. They told me they were making them.

Mr. WEITZ. Who told you?

Mr. JACOBSEN. Nelson and Parr.

Mr. WEITZ. When did they tell you of that?

Mr. JACOBSEN. They might have told me at the time they made the contributions, Mr. Weitz, I am not sure.

Mr. WEITZ. If the report of TAPE indicates that on March 22, 1971, TAPE made a contribution of \$10,000 to four Republican national committees, does that refresh your recollection as to when you were told that they were making some contributions to the Republican Party?

Mr. JACOBSEN. No, it doesn't refresh my recollection; it would just tell me that they made the contributions.

Mr. WEITZ. Did you talk about political contributions to Mr. Nelson both during March 1971 and thereafter.

Mr. JACOBSEN. I am sure I did.

Mr. DASH. You talked about them in March 1971. So you could have learned contemporaneously about the contributions—that they were being made—or later?

Mr. JACOBSEN. I could have. Bear in mind, Mr. Dash, that all these contributions were made through Reeves & Harrison, and not through me.

Mr. DASH. I understand that. But since you were counsel, and you had a special political relationship, would it not again be reasonable that they would discuss this with you?

Mr. JACOBSEN. Not necessarily, Mr. Dash.

Mr. DASH. Or at least mention it to you?

Mr. JACOBSEN. Not necessarily. Mr. Parr and Mr. Nelson were rather jealous about the prerogative of making contributions. And if they were going to make contributions that I didn't have anything to do with they would probably mention them to me. But they wouldn't ask my advice or go out of their way to talk to me about it. They figured that was their business.

Mr. DASH. But they would want you to know that they made them; would they not? It would assist you at least in your relationship as a political liaison to be knowledgeable as to what they were doing in terms of political contributions?

Mr. JACOBSEN. They might, Mr. Dash. But they might not. They were pretty jealous in their keeping the information to themselves about the contributions that I didn't have anything to do with.

Mr. WEITZ. Do you know of any contacts between the dairy people and Mr. Kalmbach in March of 1971?

Mr. SANDERS. I didn't hear the question.

Mr. WEITZ. Did you know at the time of any contacts between the dairy people and Mr. Kalmbach in March of 1971?

Mr. JACOBSEN. No; I didn't.

Mr. WEITZ. Did you learn since of any such contact at that time?

Mr. JACOBSEN. No; I haven't.

You could help me by telling me when the first time was that I took Nelson out to see Kalmbach. Was that in 1972?

Mr. WEITZ. Was that the first time around that time when you first learned or knew of a contact between the dairy people and Mr. Kalmbach, other than 1969?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. So between 1969, and perhaps, you said, in 1972, when you took Nelson out to see Kalmbach, you don't know of any contact during that time between the dairy people and Mr. Kalmbach?

Mr. JACOBSEN. No; I didn't know that.

Mr. McNELIS. When was that time? Can we establish it?

Mr. WEITZ. I believe Mr. Jacobsen said he thought it was 1972. We will get to that later after the break.

Do you know Murray Chotiner?

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. Do you know that he was of counsel in 1971 in the firm of Reeves & Harrison?

Mr. JACOBSEN. I heard that; yes.

Mr. WEITZ. Do you know whether any of the dairy people had any contact with Mr. Chotiner during March of 1971?

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. Did you know at the time or subsequently of any political contributions by either of the other two dairy trusts, ADEPT and SPACE, to the President's reelection committee or Republican committee in March of 1971?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you have any meeting with any representatives of those trusts or those other two co-ops?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Were you aware whether Mr. Nelson and Mr. Parr were meeting during that period with Mr. Hanman, for example, of Mid-America?

Mr. JACOBSEN. I think I was aware of that.

Mr. WEITZ. Were you aware, for example, that they were also meeting with Mr. Westwater and others of Dairymen, Inc.?

Mr. JACOBSEN. I didn't know Mr. Westwater at the time. I was aware that they were meeting with Ben Morgan.

Mr. WEITZ. Ben Morgan of Dairymen, Inc.?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Were they also meeting with Paul Alagia at that time?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. What did you understand about the meetings that were taking place between the three co-ops?

Mr. JACOBSEN. Primarily I understood that what they were talking about was trying to get an effective merger between the co-ops.

Mr. WEITZ. Did it have anything to do with the milk price support question?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Do you know whether they were discussing political contributions by one or more of the dairy co-ops or their trusts to the President's reelection or the Republican National Committees.

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. You said before that Mr. Nelson and Mr. Parr had discussed throughout that period in a number of meetings, contributions in the millions to the President?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you know whether they took any steps to make contributions to the President, or to the President's reelection effort.

Mr. JACOBSEN. The only efforts I know of where those to that number of committees, \$2,500 apiece to a lot of committees.

Mr. WEITZ. Was it your understanding that that was for the President or the President's reelection?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Who provided those committees? Who organized those committees, do you know?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Do you know how it came about that the dairy people contributed to those committees?

Mr. JACOBSEN. I think Reeves & Harrison worked it out.

Mr. WEITZ. Worked it out?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you know who in the Republican fundraising effort provided the names of those committees to them?

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. Do you know whether Mr. Kalmbach was involved in providing or helping to assist in providing those names to them?

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. Do you know who in the administration, Mr. Harrison or the firm of Reeves & Harrison, were contacted about such contributions if they contacted anyone?

Mr. JACOBSEN. No, sir, I don't.

Mr. WEITZ. Did you know of any contacts that were being made in March of 1971 with Mr. Dent, by the dairy people—with either Mr. Dent or Mr. Colson?

Mr. JACOBSEN. No.

Mr. WEITZ. Or Mr. Ehrlichman?

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. Were you aware of a loan from TAPE to ADEPT in March or April of 1971 in the amount of \$50,000?

Mr. JACOBSEN. No; I was not aware of that.

Mr. WEITZ. Exactly what did you know about the contribution to the multiple committees in 1971 by the dairy people?

Mr. JACOBSEN. Only that they were going to be made.

Mr. WEITZ. Do you know for what purpose?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know whether there were any commitments made in March of 1971 by the dairy people to either Republican fundraisers or anyone in the administration that such contributions would be made?

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. Such commitments could have been made, though, since you were not advised of all of their efforts.

Mr. JACOBSEN. Absolutely.

Mr. WEITZ. At any time after the price support decision in 1971—the second one, to increase supports—has anyone, other than what you

have read in the paper, ever talked to you, or have you ever learned about any understanding or commitment for contributions by the dairy people in the hope of obtaining an increase, or in fact in the expectation of obtaining an increase?

Mr. JACOBSEN. No; I don't know that.

Mr. WEITZ. Have you ever discussed this matter with Mr. Parr or Mr. Nelson since March 1971, the matter of political contributions and milk price support decisions?

Mr. JACOBSEN. No.

Mr. WEITZ. To the present time?

Mr. JACOBSEN. I don't think so.

Mr. DORSEN. Do you know whether the second increase decision was handled in any way other than the normal procedure that was customarily followed by the Department of Agriculture and the White House?

Mr. JACOBSEN. No; I don't know.

Mr. McNELIS. Do you know how it was handled?

Mr. JACOBSEN. No; I don't. I said I don't know.

Mr. McNELIS. Meaning you don't know how it was handled, period?

Mr. JACOBSEN. I don't know how it was handled, and I don't know what the normal procedure would be.

Mr. DORSEN. And you did not hear, or it was never suggested to you that it was handled in a manner other than was customary?

Mr. JACOBSEN. It was not suggested to me, no, sir.

Mr. DORSEN. This probably would be a good time for a break.

[Whereupon, at 12:53 p.m., the committee recessed to reconvene at 1:30 p.m., the same day.]

AFTERNOON SESSION

Mr. WEITZ. Mr. Jacobsen, did there come a time in April or May of 1971 when you approached Bob Lilly for some moneys not in connection with your legal fees?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Could you tell us about that?

Mr. JACOBSEN. I approached Bob Lilly to arrange for me to get \$10,000 that we would make available to Secretary Connally to give out as he pleased to any politicians he wanted to give it to.

Mr. WEITZ. Had you done this before?

Mr. JACOBSEN. No.

Mr. WEITZ. Had you ever approached anyone else for Mr. Connally?

Mr. JACOBSEN. No.

Mr. WEITZ. Why did you do so in this case?

Mr. JACOBSEN. Well, I thought it would be helpful to Secretary Connally, since he has been helpful to us in the price-support thing, I thought it would be helpful to him if he could make some political donations to politicians he wanted to make them to.

Mr. WEITZ. Exactly how had Mr. Connally been helpful to you in the milk price-support decision?

Mr. JACOBSEN. Well, he had spoken to whoever he spoke to in the administration.

Mr. WEITZ. Did you have any understanding or was there any indication that that had some relationship to the increase?

Mr. JACOBSEN. No. But I just assumed that he, being who he was, and him saying a good word for us, it would have been helpful to us.

Mr. WEITZ. And he did this by way of trying to have the dairy people show their appreciation to Mr. Connally?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Why did you approach Mr. Lilly rather than Mr. Isham or Mr. Nelson?

Mr. JACOBSEN. Because Lilly was the one I generally dealt with in politics.

Mr. WEITZ. Did it have anything to do with the fact that Mr. Lilly had come to you for payments toward that loan?

Mr. JACOBSEN. No. We just generally dealt with Mr. Lilly in the political area.

Mr. WEITZ. How did you expect Mr. Lilly to provide you with the money?

Mr. JACOBSEN. I did not know. Mr. Weitz.

Mr. WEITZ. Did you expect it to be from his personal finances, or would it be from contributions from employees or from TAPE or what?

Mr. JACOBSEN. I did not know. I just asked him if he could get it for me.

Mr. WEITZ. And you told him that it would perhaps go for whatever purposes Mr. Connally directed you to put it to?

Mr. JACOBSEN. Correct.

Mr. WEITZ. Did you indicate that you had talked to Mr. Connally about it?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you indicate that to Mr. Lilly at that time?

Mr. JACOBSEN. No; I do not think that I did.

Mr. WEITZ. When was it that you approached him; do you recall?

Mr. JACOBSEN. No; I do not.

Mr. WEITZ. Some time about a month after the milk price-support decision in March?

Mr. JACOBSEN. Some time about a month, I guess. I do not know.

Mr. WEITZ. Did you tell Lilly it would be for political contributions?

Mr. JACOBSEN. I do not remember exactly what I told Mr. Lilly. I think I told him it would be for Connally's use.

Mr. WEITZ. For Connally's use. Did you tell Mr. Lilly—I am sorry if you said this before, but did you tell him how much money you wanted?

Mr. JACOBSEN. Yes; I told him \$10,000.

Mr. WEITZ. And did you say in what form you wanted the money?

Mr. JACOBSEN. In cash.

Mr. WEITZ. Why did you ask that it be in cash?

Mr. JACOBSEN. Well, because it would be hard for Mr. Connally to make a contribution to somebody with a TAPE check, that would be a contribution from TAPE.

Mr. WEITZ. So you viewed this as money to be made available for personal political contributions by Mr. Connally?

Mr. JACOBSEN. Correct.

Mr. WEITZ. And you had no idea how Mr. Lilly or AMPI or TAPE would account for that \$10,000?

Mr. JACOBSEN. No; I did not.

Mr. WEITZ. What made you think that Mr. Lilly would comply with your request?

Mr. JACOBSEN. I did not know that he would.

Mr. WEITZ. Did you then talk to Mr. Connally about this?

Mr. JACOBSEN. Yes; I did talk to him.

Mr. WEITZ. Did you talk with him at that time, or after you received the money?

Mr. JACOBSEN. After I received the money.

Mr. WEITZ. What next transpired between you and Mr. Lilly?

Mr. JACOBSEN. Mr. Lilly brought the money for me.

Mr. WEITZ. How did he deliver it to you?

Mr. JACOBSEN. In an envelope.

Mr. WEITZ. Where?

Mr. JACOBSEN. In my office, I think.

Mr. WEITZ. In Austin?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you recall when he delivered it to you?

Mr. JACOBSEN. No; I do not.

Mr. WEITZ. Did he tell you when he delivered the money to you where he got the money from?

Mr. JACOBSEN. No; he did not.

Mr. WEITZ. Did you ask him?

Mr. JACOBSEN. No.

Mr. WEITZ. Is this the only occasion that you know of in which you asked Mr. Lilly or he provided to you or to anyone else cash for some political or similar transaction?

Mr. JACOBSEN. To me, this is the only occasion.

Mr. WEITZ. Do you know of any other transaction in which Mr. Lilly handled cash and gave it to either political candidates or for political contributions directly or indirectly?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. Did you not consider this request somewhat unusual?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did Mr. Lilly indicate that he considered it unusual?

Mr. JACOBSEN. No; he did not seem to say anything.

Mr. WEITZ. What did you do with the money?

Mr. JACOBSEN. Well, first of all, I took it—

Mr. WEITZ. What form was it in when he gave it to you? You say it was in an envelope?

Mr. JACOBSEN. It was in \$100 bills. The first thing I did was change it into smaller bills, because there are a lot of politicians that do not like to take \$100 bills. So I changed it and put it in a safety deposit box.

Mr. WEITZ. Mr. Kalmbach took \$100 bills?

Mr. JACOBSEN. Yes.

Mr. WEITZ. How did you know that the delivery was in \$100 bills to Mr. Kalmbach?

Mr. JACOBSEN. You just said so.

Mr. WEITZ. You said yes. Do you know that?

Mr. JACOBSEN. No, I do not.

Mr. McNELIS. Excuse me. Were you answering affirmatively that his statement was correct, or were you just saying yes?

Mr. JACOBSEN. I was just saying yes. He said it was in \$100 bills.

Mr. WEITZ. You do not know that it was?

Mr. JACOBSEN. No.

Mr. WEITZ. This \$10,000 was in \$100 bills from Mr. Lilly to you?

Mr. JACOBSEN. Yes.

Mr. WEITZ. At Citizens' National Bank?

Mr. JACOBSEN. No; different banks.

Mr. WEITZ. Why.

Mr. JACOBSEN. It was just simpler to do it that way.

Mr. WEITZ. Could it not be traced?

Mr. JACOBSEN. No; it was just easier to go to a bank and take \$1,000 and say, give me \$1,000 in twenties.

Mr. WEITZ. So you took the envelope and you immediately started going from bank to bank that day?

Mr. JACOBSEN. Oh, no; just in the next week or so.

Mr. WEITZ. What did you do with the money upon receipt of it?

Mr. JACOBSEN. Left it at home.

Mr. WEITZ. Left it at home?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And the fact that the entry record to your—let me put it this way: First of all, do you recall whether the delivery was made to you on May 4, 1971?

Mr. JACOBSEN. No; I do not.

Mr. WEITZ. But you did not put the money into one of your safety deposit boxes at Citizens' National Bank upon receiving it?

Mr. JACOBSEN. No; I did not.

Mr. WEITZ. And you never told Mr. Lilly that you wanted \$10,000 to put into your lockbox for Mr. Connally?

Mr. JACOBSEN. I do not think I put it that way.

Mr. WEITZ. Ultimately, though, you did put the money into your safety deposit box?

Mr. JACOBSEN. Yes.

Mr. WEITZ. But you did not do so right away, you left \$10,000 right at home?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you normally keep cash in that amount at home?

Mr. JACOBSEN. I have done it.

Mr. WEITZ. Was there any reason that you did not put it directly into your safety deposit box and break it down at some later time?

Mr. JACOBSEN. No, because I wanted to change it, and it was easier to have it out of the safety deposit box when I was doing that.

Mr. WEITZ. Did you make it down into smaller bills after you talked to Mr. Connally, or before?

Mr. JACOBSEN. No, before.

Mr. WEITZ. When did you talk to Mr. Connally about this?

Mr. JACOBSEN. I think it was in June or July.

Mr. WEITZ. What did you tell him?

Mr. JACOBSEN. I told him I had \$10,000 that was available for him to give to any politicians he wanted to give it to.

Mr. WEITZ. Did you tell him how you had gotten the money, or who had given you the money?

Mr. JACOBSEN. I said the milk people.

Mr. WEITZ. Did you understand him to understand you about what that meant?

Mr. JACOBSEN. Yes.

Mr. WEITZ. The dairy co-ops?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And AMPI in particular?

Mr. JACOBSEN. AMPI—well, I just said milk people, as I recall.

Mr. WEITZ. What was his response?

Mr. JACOBSEN. His response was that he did not want to make any contributions.

Mr. WEITZ. So did he tell you to return the money?

Mr. JACOBSEN. He did not tell me to do anything with it.

Mr. WEITZ. Did you tell him that you had the money at that time?

Mr. JACOBSEN. Yes. I think I did.

Mr. WEITZ. Did you tell him you had it in cash?

Mr. JACOBSEN. I do not remember, Mr. Weitz, if I did or not, if I got that specific or not.

Mr. WEITZ. But you think you indicated that you had already received the money and had it available for his use?

Mr. JACOBSEN. I think I did indicate that.

Mr. WEITZ. Did Secretary Connally express surprise that you made this request, or told him of the fact?

Mr. JACOBSEN. No; I do not think so.

Mr. WEITZ. Had you ever done so before—made money available to him?

Mr. JACOBSEN. No.

Mr. WEITZ. Was anything else said about the transaction or the availability of the money?

Mr. JACOBSEN. No; except he did not want it.

Mr. WEITZ. But he did not tell you to return it?

Mr. JACOBSEN. No; he did not tell me to return it.

Mr. DASH. Did he give any reasons to explain why he did not want it?

Mr. JACOBSEN. He did explain why, I think. Briefly he said,

I am a Democrat in a Republican administration, and I do not want to be giving money to Democrats, since I am in a Republican administration, and I do not want to be giving money to Republicans since I am a Democrat, so I would just rather not give anything.

Mr. WEITZ. This conversation, was this in person or over the phone?

Mr. JACOBSEN. No; this was in person.

Mr. WEITZ. And you say it was your best recollection that it would have been sometime either in May or June of 1971?

Mr. JACOBSEN. No, June or July.

Mr. WEITZ. June or July. And you say you made the request of Mr. Lilly approximately a month after the price-support decision?

Mr. JACOBSEN. You said that.

Mr. WEITZ. Was it about a month later?

Mr. JACOBSEN. I do not know for sure when it was.

Mr. WEITZ. If Mr. Lilly said it was May 4, 1971, that he gave you the money, would you dispute that?

Mr. JACOBSEN. No, I would not dispute it.

Mr. WEITZ. And you say about a week later you broke the bills down?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Into smaller bills?

Mr. JACOBSEN. Within a week or two.

Mr. WEITZ. So that would be, say, the middle of May 1971?

Mr. JACOBSEN. During May of 1971.

Mr. WEITZ. And how soon thereafter did you meet with Secretary Connally to discuss this with him?

Mr. JACOBSEN. In either June or July, I am not sure which.

Mr. WEITZ. And you do not remember how long after you broke down the bills to the time you met Secretary Connally?

Mr. JACOBSEN. No, I do not remember.

Mr. WEITZ. Do you recall how often or how many times you met with him during June or July?

Mr. JACOBSEN. No, sir; I do not. His records will show that.

Mr. WEITZ. More than once?

Mr. JACOBSEN. I think so. His records will show that.

Mr. WEITZ. Did you meet with him on an occasion in connection with lunch or dinner in the Madison Hotel when you discussed this?

Mr. JACOBSEN. I do not know. I have taken him to dinner at the Madison Hotel, but I do not know whether it was in connection with this or not.

Mr. WEITZ. Approximately how long did the meeting in which you discussed this matter last?

Mr. JACOBSEN. I do not remember.

Mr. WEITZ. Who is Warren Woodward?

Mr. JACOBSEN. Warren Woodward is the vice president of American Airlines.

Mr. WEITZ. When you met with the Secretary about this, were you alone?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you remember any meeting in which you and Mr. Long met with Mr. Connally in June?

Mr. JACOBSEN. One meeting.

Mr. WEITZ. One meeting?

Mr. JACOBSEN. Yes.

Mr. WEITZ. One meeting ever between you, Mr. Long and Mr. Connally, or one meeting during that time?

Mr. JACOBSEN. One meeting ever.

Mr. McNELIS. May I ask if the Long we are talking about is the Long of Jacobsen's and Long law firm?

Mr. WEITZ. That is my question.

Mr. JACOBSEN. Yes.

Mr. WEITZ. When was that?

Mr. JACOBSEN. I do not remember.

Mr. WEITZ. What was the purpose of that meeting?

Mr. JACOBSEN. We took something to the Secretary. It was in two big boxes, and Mr. Long had to help me carry the box. I forget what it was.

Mr. WEITZ. Were they papers or objects or what?

Mr. JACOBSEN. Papers, I think.

Mr. WEITZ. Were they political papers?

Mr. JACOBSEN. No. I think that was when we delivered the photographs that Larry Temple and I talked to him about.

Mr. WEITZ. Two big boxes of photographs?

Mr. JACOBSEN. A box, yes.

Mr. WEITZ. Did you deliver any money to him at that time?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you ever deliver any money to Mr. Connally?

Mr. JACOBSEN. No, sir, I did not.

Mr. WEITZ. Just for identification purposes, I will mark as exhibit 18 what appears to be—which was forwarded to us by you—an FBI inventory of a sum of money in your safety deposit box.

[The document referred to was marked Jacobsen exhibit No. 18.*]

Mr. JACOBSEN. Yes.

Mr. WEITZ. Is this the inventory that you forwarded to us?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Is there any reason that—how much money was counted by the FBI agents?

Mr. JACOBSEN. \$10,000.

Mr. WEITZ. Were you present when they counted it?

Mr. JACOBSEN. Yes. And they had me sign a slip to the effect that they counted \$10,000 in my presence.

Mr. WEITZ. So, therefore, the fact that the inventory indicates only the amount, bills in the amount of \$9,950, you ascribed earlier to a technical error?

Mr. JACKSON. They missed a \$50 bill.

Mr. McNELIS. I do not know whether you checked that inventory or not, Mr. Weitz. That came to you through me. I twice went through it.

*See p. 6488.

And I came up with that figure there. And I had another fellow check it in the office and he still came up \$50 short. And I understand Mr. Jacobsen's position was that the count actually was \$10,000.

Mr. WEITZ. Have you ever delivered any money or directed the delivery of any moneys—delivered any moneys or had any moneys delivered for political purposes at the direction of Mr. Connally?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. In 1971, let us say, start with that?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you ever talk to Mr. Lilly subsequent to your conversation with Mr. Connally about the \$10,000?

Mr. JACOBSEN. I do not recall if I did.

Mr. WEITZ. Why did you not return the money?

Mr. JACOBSEN. Well, I thought I would hold it a while, I knew we were going to get into this Presidential campaign, and I thought maybe I would give it to the Secretary then, into the Nixon election campaign. And I just did not return it.

Mr. WEITZ. Did you have any idea of the source of the money?

Mr. JACOBSEN. No, I did not.

Mr. WEITZ. Did you speculate as to where it came from?

Mr. JACOBSEN. No.

Mr. WEITZ. Correct me if I am wrong. There are at least several possibilities. It could have come from TAPE, it could have come from Mr. Lilly's personal funds, and it could have come from corporate funds, or it could have been borrowed from a bank. Do you know whether it was borrowed from Citizens' National Bank?

Mr. JACOBSEN. I do not know.

Mr. McNELIS. Mr. Weitz, Mr. Jacobsen says he does not know the source of it. If you speculate—

Mr. WEITZ. I did not ask him to speculate, I asked him an exact question.

Mr. McNELIS. His answer is that he does not know.

Mr. WEITZ. I think it is necessary to probe his understanding of the transaction.

Let me ask the necessary question rather than ask for speculation.

If it was from TAPE, you would have had to give them some, I take it—and if it was it would be a reported transaction. You would have to give them some committee or candidate to which to report the contribution, is that correct?

Mr. McNELIS. Just a minute. It was not from TAPE. He spoke to Mr. Lilly. And it came from Mr. Lilly, if I understand his testimony.

Mr. WEITZ. I am saying, the source of the funds.

But you never gave to Mr. Lilly any information as to the recipients either in terms of a political committee or political candidate for that money?

Mr. JACOBSEN. No.

Mr. WEITZ. Did Mr. Lilly ever ask you?

Mr. JACOBSEN. No.

Mr. WEITZ. When you say you were going to hold it for at least until possibly the Presidential campaign of the following year, you intended, therefore, to hold it for at least several months or longer?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you ever make use of that \$10,000 yourself?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Why did you not break it into smaller bills when you were going to make the particular contributions?

Mr. MCNELIS. May I have the question again, please?

Mr. WEITZ. Let me rephrase it.

Why did you not wait to break down the bills?

Mr. JACOBSEN. Just because I did not. I did it when I got the money.

Mr. WEITZ. And you know of no use either by yourself, Mr. Long or anyone else, that has ever been made of that money?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did you ever ask Mr. Lilly for any additional moneys for any purpose?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Other than in connection with your fees?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. The matter of \$10,000, was that ever discussed again by you and Mr. Connally?

Mr. JACOBSEN. Only during the Democrats for Nixon campaign.

Mr. WEITZ. When was that? Not the campaign, the conversation.

Mr. JACOBSEN. I do not remember.

Mr. WEITZ. It was in 1972?

Mr. JACOBSEN. In 1972.

Mr. WEITZ. In the second half of 1972?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Sometime between August 1, for example, and the election?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. What was Mr. Connally's position at that time? Was he still in Government?

Mr. JACOBSEN. No; he was head of the Democrats for Nixon.

Mr. WEITZ. And you brought up the subject spontaneously?

Mr. JACOBSEN. I told him I still had that \$10,000, and I would be glad to put it in the Democrats for Nixon campaign.

Mr. WEITZ. Did he ask you what \$10,000 you were talking about?

Mr. JACOBSEN. I do not remember if he did or if he remembered the \$10,000.

Mr. WEITZ. What was his response?

Mr. JACOBSEN. He did not want it.

Mr. WEITZ. Did he say why?

Mr. JACOBSEN. He did not want any money from AMPI because, I suppose, of the publicity they had received as a result of these series of small donations.

Mr. WEITZ. The publicity relating to their donations in 1971?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you know whether donations were made in 1971 by the other two co-ops in the same fashion?

Mr. JACOBSEN. No; I do not.

Mr. WEITZ. Were you aware of the publicity in 1971, or subsequent to the donations?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And were you aware that the publicity related to contributions made by all three co-ops?

Mr. JACOBSEN. No; I thought it was mostly AMPI.

Mr. WEITZ. Mostly or entirely?

Mr. JACOBSEN. Well, I thought it was all AMPI. But if you said it was related to the other two co-ops——

Mr. WEITZ. No; I am asking for your knowledge.

Mr. JACOBSEN. OK.

Mr. McNELIS. Can we clear up the record?

What did you think it to be at the time?

Mr. JACOBSEN. I thought it related to AMPI.

Mr. WEITZ. Only AMPI?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you know of any other contributions in similar fashion to the committee in 1971 from the other two co-ops?

Mr. JACOBSEN. No. I did not know about that.

Mr. WEITZ. Was Mr. Connally aware of the publicity, adverse publicity in connection with those 1971 contributions?

Mr. JACOBSEN. I assume he was, I do not know.

Mr. WEITZ. And do you know whether he was aware that the publicity was attributed to all three co-ops?

Mr. JACOBSEN. I do not know. And I am just assuming that that is the reason he did not want money from AMPI.

Mr. WEITZ. You are aware that in 1972 both SPACE and ADEPT did contribute to Democrats for Nixon?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. But at the time those contributions were made, or any time in 1972, you were not aware that they had made contributions to multiple committees in 1971 together with TAPE?

Mr. JACOBSEN. I was not aware that they had been the subject of all the publicity.

Mr. WEITZ. Was any other reason given by Mr. Connally for not accepting the \$10,000 in 1972?

Mr. McNELIS. Excuse me. This witness did not testify that Mr. Connally gave any reason at all. My understanding of his testimony, he supposed Mr. Connally did not want the money because of the publicity that was——

Mr. JACOBSEN. That is what I said.

Mr. WEITZ. Mr. Connally gave you no reason?

Mr. JACOBSEN. No; Mr. Connally said he would just as soon not have any money from AMPI.

Mr. WEITZ. But there came a time when he was aware that contributions were going to be or were made by the other two co-ops?

Mr. JACOBSEN. Sure.

Mr. WEITZ. And he did not raise objection to those?

Mr. JACOBSEN. No.

Mr. WEITZ. And the conversation with Mr. Connally in connection——when you mentioned the \$10,000 in 1972——was anything else said between you at that time?

Mr. JACOBSEN. I do not recall, Mr. Weitz.

Mr. WEITZ. Did you have any other conversations with him about that money?

Mr. JACOBSEN. No.

Mr. WEITZ. Or about AMPI, or contributions from AMPI.

Mr. JACOBSEN. No.

Mr. WEITZ. Have you ever handled or delivered to anyone cash in excess of \$1,000 for political purposes or for some political campaign?

Mr. JACOBSEN. Just the checks that you had that we delivered to you the first time we delivered you information, just those.

Mr. WEITZ. You said you gave Mr. Lilly checks, though, in both cases?

Mr. JACOBSEN. No; I am not talking about that. We delivered you some checks showing we made a contribution to a Democratic gala—

Mr. WEITZ. Right.

Mr. JACOBSEN. And to Governor Preston Smith, or something like that.

Mr. WEITZ. Were these made in cash?

Mr. JACOBSEN. No; they were made by check.

Mr. WEITZ. I am asking about amounts in excess of \$1,000 or more, have you ever delivered to anyone cash in excess of \$1,000 for a political campaign or for political purposes?

Mr. JACOBSEN. No, I have not.

Mr. WEITZ. Besides Mr. Lilly, has anyone connected with AMPI ever asked you for cash or for a contribution for political campaigns?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did you have much contact with David Parr?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Frequent contact?

Mr. JACOBSEN. Frequent, yes.

Mr. WEITZ. And what would be the nature of the contacts, for what purpose would you talk or meet with him?

Mr. JACOBSEN. Well, he was always talking about various dairy problems and TAPE and just general problems relating to the co-op.

Mr. WEITZ. Do you know Tom Townsend?

Mr. JACOBSEN. Yes; I have met Tom Townsend.

Mr. WEITZ. At one time he worked in Mr. Parr's office in Little Rock; is that right?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you ever deliver any money in cash or otherwise, or whatever other form, to Mr. Parr for Wilbur Mills' campaign?

Mr. JACOBSEN. No.

Mr. WEITZ. Have you ever met with Mr. Parr in the Austin Airport?

Mr. JACOBSEN. Yes; I met with him.

Mr. WEITZ. Do you know how many times you met with him in the Austin Airport?

Mr. JACOBSEN. Several times.

Mr. WEITZ. Several times. Do you recall any meeting with him in 1970 in the Austin Airport?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And what was the occasion for that? How many meetings in 1970?

Mr. JACOBSEN. I do not recall the number of meetings.

Mr. WEITZ. More than two?

Mr. JACOBSEN. There may have been more than two.

Mr. WEITZ. What would be the reason for you meeting him in the Austin Airport?

Mr. JACOBSEN. Well, sometimes he would pick me up to go to San Antonio and sometimes—I know what you are talking about, I refreshed my memory—yes, I delivered \$5,000 to David Parr for Wilbur Mills.

Mr. WEITZ. And when was that?

Mr. JACOBSEN. That was in—I do not know.

Mr. WEITZ. Can you give us the year?

Mr. JACOBSEN. No.

Mr. WEITZ. \$5,000 in cash?

Mr. JACOBSEN. Yes.

Mr. WEITZ. In an envelope?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Who else was present?

Mr. JACOBSEN. I think just David Parr and myself.

Mr. WEITZ. Was anyone else from AMPI, to your knowledge, at the airport even though they were not in place when you gave Mr. Parr the money?

Mr. JACOBSEN. I do not know. There might have been somebody in the airplane, I do not recall.

Mr. WEITZ. But you recall just you and Mr. Parr being present when this exchange was being made?

Mr. JACOBSEN. Yes.

Mr. WEITZ. How did you come to give him that money?

Mr. JACOBSEN. He asked for it.

Mr. WEITZ. Did he ask for it in cash?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did he say for what purpose he wanted the money?

Mr. JACOBSEN. Yes. He wanted it for Mr. Mills.

Mr. WEITZ. Do you recall when this took place?

Mr. JACOBSEN. No.

Mr. WEITZ. Can we place it by year?

Mr. JACOBSEN. No, I really cannot. It was during Mr. Mills' Presidential ambitions.

Mr. WEITZ. So probably either 1971 or 1972, is that correct?

Mr. JACOBSEN. Yes.

Mr. WEITZ. It was in fact while Mr. Parr was still employed by AMPI, is that correct?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And if I am not mistaken, Mr. Parr left the employ of AMPI early in 1972. So it is likely that it was in 1971 or early 1972? Does that refresh your recollection?

Mr. JACOBSEN. No, it does not.

Mr. McNELIS. Mr. Weitz, I do not mean to suggest in any way how you should conduct your interrogation. The witness is here to tell you everything he knows about anything that you want to ask him about. We are covering quite a bit of ground. If you have anything there to show him or help him with a date, we would appreciate it. And maybe he can then be more definitive with his answers and tie things in. We will accept whatever document you have to help the gentleman.

Mr. WEITZ. Do you recall any particular occasion that led to the request—in other words, was the request and the delivery of money made in conjunction with any particular visit by Wilbur Mills to Texas?

Mr. JACOBSEN. No, I do not think so.

Mr. WEITZ. It was just a general request for \$5,000?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Where did the \$5,000 come from?

Mr. JACOBSEN. It came from my account.

Mr. WEITZ. Did you cash a check?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did it come from your funds solely, or from Mr. Long's funds?

Mr. JACOBSEN. I do not recall.

Mr. WEITZ. Was this money drawn from the firm account or from one of your personal accounts?

Mr. JACOBSEN. I think it was drawn from the firm account.

Mr. WEITZ. From the firm account. Does it make any difference, then, if the \$5,000 was drawn in one check on the firm's account or in separate checks pro rata according to your firm split by you and also by Mr. Long?

Mr. JACOBSEN. Yes, it would make a difference.

Mr. WEITZ. It would make a difference. How?

Mr. JACOBSEN. Well, if you made the check for \$5,000 to me I would have drawn \$5,000 out of the firm.

Mr. WEITZ. Suppose the check was drawn to cash, it would not have been done that way?

Mr. JACOBSEN. No, it would not.

Mr. WEITZ. It would either have been to you or Mr. Long?

Mr. JACOBSEN. Yes.

Mr. McNELIS. And if you have a check there we would be delighted to see it. Do you recall a check?

Mr. JACOBSEN. No, I do not remember the check.

Mr. WEITZ. Was this the only occasion when Mr. Parr or anyone else of AMPI asked you for money other than what we have just had with Mr. Lilly?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Why did he make the request of you?

Mr. JACOBSEN. Well, Mr. Mills needed money, and he wanted somebody to help him. And I was elected, I guess.

Mr. WEITZ. From the records we have, and from the checks you have given us, we have two checks which—because of the endorsement or lack of endorsement—two sets of checks in the amount of \$5,000. Perhaps you can help clear up—for 1971, I should say.

Mr. JACOBSEN. If I knew the date of the contribution to Mills I could help you clear it up, but I do not know the date of it.

Mr. WEITZ. Was it reported, to your knowledge?

Mr. JACOBSEN. No, it was not reported.

Mr. WEITZ. Do you know whether in fact Mr. Parr gave the money to Mr. Mills?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. How do you know Mr. Parr did not pocket the money?

Mr. JACOBSEN. I do not know that.

Mr. WEITZ. But you gave him the \$5,000?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did he give you a receipt?

Mr. JACOBSEN. No.

Mr. WEITZ. I have here two checks. Let me mark them exhibits 19 and 20.

[The checks referred to were marked Jacobsen exhibits Nos. 19 and 20.*]

*See p. 6495.

Exhibit 19 is check No. 2229, February 15, 1971, to Joe R. Long, with what appears to be Mr. Long's signature, or someone writing Mr. Long on the back, in the amount of \$2,250. And exhibit 20, check No. 2230, the same date, for \$2,750 to Jake Jacobsen. Is that your signature?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Now, looking at these two checks, does that refresh your recollection as to whether or not those checks represent the \$5,000 delivered to Mr. Parr?

Mr. JACOBSEN. No, it sure does not. I wish I could help you, but I cannot. I do not know the date of the contribution.

Mr. WEITZ. The other set of checks we have for 1971 is dated November 10. Let me mark those exhibits 21 and 22.

[The checks referred to were marked Jacobsen exhibits Nos. 21 and 22.*]

Exhibit 21 is check No. 2710, again on the firm account, dated November 10, 1971, to Jake Jacobsen for \$2,750. Is that your signature on the back of endorsement?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And exhibit No. 22, No. 2711, November 10, 1971, \$2,250 to Mr. Joe Long. Now, I show you both of these checks and ask you whether this refreshes your recollection as to whether these two checks represent the \$5,000 to Mr. Parr?

Mr. JACOBSEN. No, it does not refresh my recollection.

Mr. WEITZ. It may, but you do not know?

Mr. JACOBSEN. It may, but I do not know.

Mr. McNELIS. In all fairness, it may have been some other purposes too, particularly with reference to Mr. Long.

Mr. WEITZ. I invite you to look through your bank records and checks and so forth, to find whether you can locate the check or checks and transactions that would reflect this delivery of \$5,000 to Mr. Parr, if you would do that, please.

Mr. McNELIS. You leave me up in the air. The witness, if I understand his testimony correctly, admits that he got that \$5,000 that he gave to Mr. Parr for Wilbur Mills. He delivered it at the airport. It was asked for in cash, and it was delivered, if I understand him correctly, in cash. And he further goes on to say that whether or not his associate, Joe Long, contributed part of that he really does not know.

Is that a fair resume of your testimony?

Mr. JACOBSEN. Yes.

Mr. WEITZ. I am just asking him to review his records and see if he can refresh his recollection and produce any records in connection with that transaction.

Mr. McNELIS. I do think, in all fairness to everybody here concerned, I should state that I have represented Mr. Joe Long before the grand jury. And as you know, Mr. Morgan, my associate, is with Mr. Joe Long. Mr. Long is not too desirous to come to Washington, to be perfectly frank about it. But with respect to whether or not he participated in this, I will be happy to call him on the phone and give you his answer to it if it will help you unravel this matter.

Mr. WEITZ. Off the record a minute.

[Discussion off the record.]

*See p. 6496.

Mr. WEITZ. Back on the record.

Let me ask a question in that connection. Do you know how Mr. Parr came to be at Austin airport that day?

Mr. JACOBSEN. He came to pick up the money.

Mr. WEITZ. I understand that. How did he arrive; how did he come? Did he come from Little Rock, do you know?

Mr. JACOBSEN. I think so.

Mr. WEITZ. In the Austin airport, is there a separate area for commercial aircraft as opposed to private aircraft?

Mr. JACOBSEN. No. He taxied up to the part where the commercial aircraft come in.

Mr. WEITZ. Was he in the company plane or some commercial plane?

Mr. JACOBSEN. No. He was not in a commercial plane; he was in a private plane.

Mr. WEITZ. He was in a private plane. And you do not recall whether there was anyone else there with him?

Mr. JACOBSEN. No; I do not.

Mr. WEITZ. Was Mr. Lilly there?

Mr. JACOBSEN. I do not recall.

Mr. WEITZ. Was Mr. Long there?

Mr. JACOBSEN. No.

Mr. WEITZ. Why don't we take this opportunity to look at a few remaining checks in 1971 that I wanted to ask you about?

Mr. SANDERS. Have you finished with this?

Mr. WEITZ. Yes.

Mr. SANDERS. Let me ask a few questions on this aspect, and we will not have to come back to it.

My questions relate to what you might remember of the circumstances of Parr asking you to produce \$5,000 for Mills. Do you remember when he asked you and under what circumstances?

Mr. JACOBSEN. No. All I remember, Mr. Sanders, is that he asked me to get \$5,000 for Mr. Mills if I would—if I could get \$5,000 for Mr. Mills. And I said I could.

Mr. SANDERS. You do not remember where this occurred?

Mr. JACOBSEN. I think it was on the telephone.

Mr. SANDERS. Did he furnish you any other circumstances of the need that he had?

Mr. JACOBSEN. No; he just said, "Mr. Mills needs \$5,000 in his Presidential campaign."

Mr. SANDERS. Can you recall discussing this with Long to see if he wanted to share in the contribution you were going to make to Parr?

Mr. JACOBSEN. No; I do not, Mr. Sanders. I do not remember discussing it with Joe at all.

Mr. SANDERS. Did you bill AMPI in a way to recover this money?

Mr. JACOBSEN. No, sir.

Mr. SANDERS. Did you have any subsequent discussion with Parr about this \$5,000 after the time when you delivered it to him?

Mr. JACOBSEN. No, sir; not that I recall, Mr. Sanders.

Mr. SANDERS. At any time did you provide to Parr any other funds for Mills?

Mr. JACOBSEN. No, sir.

Mr. SANDERS. Did you furnish to anyone else any money which it was indicated to you would be for the benefit of Wilbur Mills?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. I want to cover a few transactions in 1971 and see if you can shed any light on those.

First of all, we have discussed, I believe, the two checks in February 1971, exhibits 19 and 20.

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. For a total of \$5,000. Now, I have here—and I will mark them exhibit 23—an invoice—I should say voucher or check No. 4419 from AMPI to Jacobsen and Long, dated February 8, 1971, in the amount of \$11,000. And on the same day, check No. 4420, which I will mark as exhibit 24, to Jacobsen and Long for \$5,636. First of all, with regard to exhibit 24, is that a copy of the Jacobsen and Long invoice?

[The documents referred to were marked Jacobsen exhibits Nos. 23 and 24.*]

Mr. JACOBSEN. Yes.

Mr. WEITZ. And do you know whether either of these payments were received by you as indicated by the two checks, exhibits 23 and 24?

Mr. JACOBSEN. I assume they were received.

Mr. WEITZ. Now, do you have any explanation for why there were two different checks in two amounts received made out for you on the same day?

Mr. JACOBSEN. The only explanation I have is that this is one of my billings, this billing here.

Mr. McNELIS. When we say this billing, can we have the record, the vouchers which is attached to it?

Mr. JACOBSEN. Exhibit 24 is my billing. And probably exhibit 23 is one of Mr. Long's billings.

Mr. WEITZ. Did you submit separate billings?

Mr. JACOBSEN. Evidently.

Mr. WEITZ. Now, on exhibit 24, if you will notice, I think this a third category, there is a category for retainer—

Mr. JACOBSEN. And expenses and professional services rendered in excess of the retainer.

Mr. WEITZ. What category of work does that cover?

Mr. JACOBSEN. Probably a speech or two—two speeches, probably.

Mr. WEITZ. I thought you indicated before that you normally would not bill that separately, that would be covered in your retainer, a speech or speeches.

Mr. JACOBSEN. No. What I said is I would also bill that with the retainer as excess.

Mr. WEITZ. How would you compute the billing for these speeches, for example?

Mr. JACOBSEN. I generally charged about \$1,500 a speech.

Mr. WEITZ. On the average, how many hours would that take of your time?

Mr. JACOBSEN. It would take probably 2 or 3 days, or a couple of days, because I would have to fly to the place and make my speech and then fly back.

Mr. WEITZ. Generally, you charged \$1,500 a speech?

Mr. JACOBSEN. Around \$1,500 a speech.

Mr. WEITZ. How many speeches would you estimate during the first several months of 1971 did you make for AMPI?

*See pp. 6497 and 6498.

Mr. JACOBSEN. I do not really have any idea.

Mr. WEITZ. More than one a month?

Mr. JACOBSEN. Much more than one a month.

Mr. WEITZ. Five a month?

Mr. JACOBSEN. Maybe five a month.

Mr. WEITZ. And that would be what, \$7,500 a month, if it was \$1,500 a speech?

Mr. JACOBSEN. Sometimes I charged less if it took me less time to get to the place.

Mr. McNELIS. The question is: Did you ever charge more than \$1,500?

Mr. JACOBSEN. No, I do not think so.

Mr. WEITZ. So throughout 1971 invoices, or at any time, any invoices on which you merely described as professional services rendered in excess of the amount covered by the retainer, that would represent speeches?

Mr. JACOBSEN. It would probably represent speeches, or it could represent the trip I made to Washington for them, or something, something in excess of the retainer.

Mr. WEITZ. But which was not billed separately for a particular matter?

Mr. JACOBSEN. Correct.

Mr. WEITZ. And which was not covered—did you do any work with them for which you did not bill in addition to the retainer itself?

Mr. JACOBSEN. Yes, I did a lot of little things for them that I figure the retainer covered.

Mr. WEITZ. Did anyone at AMPI ever discuss your billings with you and question any particular billing or fees?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you ever submit expense accounts or expense reports to them?

Mr. JACOBSEN. No, sir.

[Discussion off the record.]

Mr. JACOBSEN. I have given them detailed expenses on my last billing, for example, I gave them the details.

Mr. WEITZ. But before January of 1972, do you recall whether you gave them any?

Mr. JACOBSEN. No, I do not think so.

Mr. WEITZ. You did not. And did anyone ever question any of the bills that came in, to your knowledge?

Mr. JACOBSEN. No, sir. This was a good client.

Mr. WEITZ. I have marked for identification exhibit 25, which is a check on your firm account, check No. 2715, dated November 10, 1971, to Jake Jacobsen in the amount of \$30,000. And on the back it does say, "For deposit only, Joe R. Long," and it has some explanation. Do you know of that check or know of the transaction represented by that check?

[The document referred to was marked Jacobsen exhibit No. 25.*]

Mr. JACOBSEN. No, I do not, only what is written on the front of the check here.

Mr. WEITZ. Why don't you read that for the record?

*See p. 6500.

Mr. JACOBSEN. It says, "the balance 1970 income from SWJ," which is Semer, White and Jacobsen, "part 1971 income, Semer, White and Jacobsen, withdrawal from Jacobsen and Long."

Mr. WEITZ. The nature of the check, as you described it before, if a check is made out to you on the firm account that is against your draw?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. And on the back if it is deposited by Joe R. Long, does that indicate that it went not into your account, but Mr. Long's?

Mr. JACOBSEN. This check went into Mr. Long's account.

Mr. WEITZ. And you do not recall anything in connection with that transaction?

Mr. JACOBSEN. No, I sure do not.

Mr. McNELIS. On the back of it I note that there is a specific account number recorded. And I do think, with the information we have sent you, we could determine rather quickly that that is one of Joe Long's accounts. You have them here.

Mr. WEITZ. Were similar billings with amounts labeled as professional services rendered in excess of retainer made to your recollection, throughout 1971, for example, or from time to time?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And would it refresh your recollection in any way as to any particular transactions or services or speeches rendered on behalf of AMPI to look at any of those other billings with that type of categorization?

Mr. JACOBSEN. No. You will find listed in this client sheet the speeches I made.

Mr. WEITZ. I would like to turn to 1972 with you. In either late 1971 or early 1972, did you have an occasion to discuss with Mr. Nelson the matter of political contributions to the President's reelection?

Mr. JACOBSEN. Well, Mr. Nelson was desirous of making a substantial contribution to the Nixon reelection campaign. He wanted to make one. And since the first contribution turned out to be such a mess—I say first, the donation to all those little committees—he wanted to find a new way to give the money. And I got in touch with Mr. Kalmbach and arranged for a meeting between Nelson and Kalmbach where we could discuss with Mr. Kalmbach how to give money without getting into the mess we got into before.

Mr. WEITZ. Now, let me ask you this. When he discussed—when he, Mr. Nelson, discussed with you the matter of additional contributions and perhaps a new way of doing so, did he discuss how much had been in fact contributed in 1971?

Mr. JACOBSEN. No, he did not.

Mr. WEITZ. Was that not relevant to a contribution?

Let me ask you this. Did he say how much, in addition, he was interested in contributing?

Mr. JACOBSEN. No, just a substantial amount of money.

Mr. WEITZ. What did you understand him to mean by that?

Mr. JACOBSEN. I assume \$500,000.

Mr. WEITZ. And your understanding was not based on any particular facts he gave you as to how much they had contributed or how much in total amount he expected to contribute?

Mr. JACOBSEN. No, he did not get into that.

Mr. WEITZ. Did anyone else discuss that with you?

Mr. JACOBSEN. No.

Mr. WEITZ. Did he ask you to contact Mr. Kalmbach?

Mr. JACOBSEN. He asked me to find out a way to do it better than they had been doing it, and I contacted Mr. Kalmbach.

Mr. WEITZ. Did you tell him you were going to do so?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you call Mr. Kalmbach or meet with him?

Mr. JACOBSEN. No. I called him first and told him I represented the dairy people, AMPI, and I understood that he was handling contributions for the President, and asked him if we could meet with him to discuss the possibility of making a substantial contribution.

Mr. WEITZ. Did you indicate that they had already made a substantial contribution the previous year?

Mr. JACOBSEN. No, I did not.

Mr. WEITZ. Was that not relevant—does that not put you in somewhat of a difference stance, if you talked to a fundraiser and indicate that you have already made substantial contributions? It certainly puts you in a different position.

Mr. JACOBSEN. I assume Mr. Kalmbach knew what these people had given.

Mr. WEITZ. Would you not want to know as much as you could from Mr. Kalmbach what your client had contributed before you talked to him?

Mr. JACOBSEN. No, not necessarily.

Mr. WEITZ. Did you know that they contributed more than \$10,000 in 1971 to the President's reelection campaign?

Mr. JACOBSEN. I read in the paper where they had contributed \$200,000 and some.

Mr. WEITZ. Did you confirm that with Mr. Nelson?

Mr. JACOBSEN. No. I assumed that it was correct.

Mr. WEITZ. Did you discuss the publicity in the newspaper articles that were written?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did he deny that that amount had been given?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you discuss either the truth or the falsity of any particular aspect of the articles?

Mr. JACOBSEN. No.

Mr. McNELIS. In all fairness to Mr. Nelson, I do not know him from Adam, but did he affirm that that much was given or deny it?

Mr. JACOBSEN. He did not affirm or deny it.

Mr. WEITZ. That is what I was getting at, did you discuss either the truth or falsity of any aspect of the newspaper articles?

Mr. JACOBSEN. No.

Mr. WEITZ. Mr. Nelson's concern, though, was with the publicity itself?

Mr. JACOBSEN. Yes.

Mr. WEITZ. What did Mr. Kalmbach say to you?

Mr. JACOBSEN. Mr. Kalmbach said he would be glad to see us.

Mr. WEITZ. Did he ask you how much they intended to contribute?

Mr. JACOBSEN. No; I just said a substantial amount.

Mr. WEITZ. Reasonable men might differ on the amount of substantiality. Did you indicate it would be several hundred thousand dollars?

Mr. JACOBSEN. No; I did not.

Mr. WEITZ. And he did not ask you?

Mr. JACOBSEN. No.

Mr. WEITZ. Up to that time, what had been the biggest political contribution you had ever arranged for, if you had arranged for any political contributions?

Mr. McNELIS. Just a moment.

Mr. WEITZ. Have you ever arranged for any political contributions before January of 1972?

Mr. JACOBSEN. For President Johnson.

Mr. WEITZ. Up to January of 1972 what was the largest contribution you ever made arrangements for?

Mr. JACOBSEN. I do not recall.

Mr. WEITZ. Did you arrange a meeting with Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And that was set for when, for what time?

Mr. JACOBSEN. It was set for January, the first Friday after January 13 in 1972.

Mr. WEITZ. How can you be so specific?

Mr. JACOBSEN. Because the 13th was when Mr. Nelson was deposed as general manager of AMPI.

Mr. WEITZ. Did you attend the board meeting in which Mr. Nelson was deposed?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. How soon thereafter—do you know what day of the week January 13, 1972, was?

Mr. DORSEN. The 13th was a Thursday.

Mr. McNELIS. That was a Thursday. It was the second full week of the month.

Mr. WEITZ. So you met with Mr. Kalmbach the very next day after Mr. Nelson was deposed?

Mr. JACOBSEN. Yes, sir; I guess so.

Mr. WEITZ. How are you sure of the date of the 13th?

Mr. JACOBSEN. Because it is in my mind.

Mr. WEITZ. Where did you meet with Mr. Kalmbach?

Mr. JACOBSEN. In his office in Los Angeles—no, I did not, we met at the California Club.

Mr. WEITZ. You went directly to the California Club and not to his office first?

Mr. JACOBSEN. We went directly to the California Club and not to his office first?

Mr. WEITZ. Who was present at the meeting?

Mr. JACOBSEN. Mr. Kalmbach, Mr. Nelson and myself.

Mr. WEITZ. Did you introduce Mr. Nelson and Mr. Kalmbach?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Did they seem to appear to know each other?

Mr. JACOBSEN. I do not remember, Mr. Weitz.

Mr. WEITZ. Did Mr. Nelson ever indicate to you before that meeting that he knew Mr. Kalmbach or had met him?

Mr. JACOBSEN. He never did.

Mr. WEITZ. Is that the first time you had ever met Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. What was discussed at the meeting?

Mr. JACOBSEN. Well, the discussion was that Mr. Nelson said that he wanted to make a substantial contribution to the President's campaign. First of all, he told him he had been deposed as general manager, therefore, he was in a different capacity when we made the appointment than when he had the meeting.

Mr. McNELIS. May I ask a question?

Was the fact that he was deposed fix the date, whatever date that was?

Mr. JACOBSEN. Yes.

Mr. McNELIS. OK. Go ahead.

Mr. JACOBSEN. And he said that the dairy people wanted to make a substantial contribution to the President's reelection campaign, he could not say how much because he was not general manager any more, but he knew that they wanted to make a substantial contribution.

And Mr. Kalmbach discussed the possibility of getting a contribution, and whether or not he wanted a contribution from AMPI, and just general discussion.

Mr. WEITZ. Between the time Mr. Nelson was deposed and the meeting with Mr. Kalmbach, did you and Mr. Nelson discuss the possibility of not going ahead with the meeting?

Mr. JACOBSEN. Yes, we did.

Mr. WEITZ. What was the nature of that conversation?

Mr. JACOBSEN. Actually, I did not—let me say this. Actually, I did not know Mr. Nelson was deposed until I got on the plane with him to go to California. So he said that he had thought about calling off the trip, but that he talked to Dr. Mehren, and Dr. Mehren had suggested that he go on the trip.

Mr. WEITZ. Now, at the meeting with Mr. Kalmbach when Mr. Nelson said he was deposed, and so forth, what was Mr. Kalmbach's response?

Mr. JACOBSEN. He was very pleasant.

Mr. WEITZ. Was there any specific mention of amounts or committees?

Mr. JACOBSEN. No.

Mr. WEITZ. Any mention of commitments or amounts that had been discussed previously?

Mr. JACOBSEN. No.

Mr. WEITZ. Was the figure \$1 million mentioned?

Mr. JACOBSEN. I do not think so.

Mr. WEITZ. You do not think so?

Mr. JACOBSEN. I do not think so.

Mr. WEITZ. Was a figure of \$2 million mentioned?

Mr. JACOBSEN. I do not think so. I do not think Nelson mentioned any figures at all.

Mr. WEITZ. How about you?

Mr. JACOBSEN. I did not, no.

Mr. WEITZ. Mr. Kalmbach?

Mr. JACOBSEN. No, I do not think so.

Mr. WEITZ. Were you present with Mr. Kalmbach and Mr. Nelson for the entire meeting?

Mr. JACOBSEN. Yes, we ate breakfast. And we talked about mostly things other than money. We talked about just general politics.

Mr. WEITZ. And what was your discussion with regard to money?

Mr. JACOBSEN. Just that the dairy people wanted to make a substantial contribution.

Mr. WEITZ. I would like to read you from your deposition on November 7, 1973, in *Nader v. Butz* and see whether this refreshes your recollection.

This says—the question is as follows: “I am going to read to you from the memorandum which we did get from the White House”——

Mr. McNELIS. May I ask who is talking?

Mr. WEITZ. This is the questioner, Mr. Dobrovir:

I am going to read to you from the memorandum which we did get from the White House. I do not have the memorandum in front of me. We were only supplied with one page or two.

I will read it, and then I will show it to you. It says:

Kalmbach is very concerned about his involvement in the milk producers situation. He believes that Jacobsen and Nelson will deliver, though they have cut the original \$2,000 commitment back to \$1,000. Kalmbach's concern centers around the recent press disclosures that link Jack Gleason in the 1970 campaign election funding. Kalmbach will accept the risk of being subpoenaed by the court in connection with the Nader milk suit. The Attorney General believes Kalmbach should continue to handle the milk project, but Kalmbach wants your advice.

And then on the same page—this is pages 43 and 44 of the deposition—he goes on to read from another memo which indicates that thousands really meant millions in terms of White House memorandum.

And he goes on to say, this was a memorandum written by Gordon Strachan to H. R. Haldeman on February 1, 1972. Now, that, according to your testimony, would be approximately 2 weeks after your meeting with Nelson and Kalmbach.

Does that refresh your recollection as to the discussion of what took place at that meeting?

Mr. JACOBSEN. No. I think that Mr. Kalmbach might have gotten some sort of impression about—first of all, I know he got the impression that we wanted to be helpful. But insofar as amounts are concerned, I remember Nelson did not talk about amounts because he did not have authority to.

Mr. WEITZ. I understand, in other words, he had been deposed, and Dr. Mehren was then head of the AMPI, so he had no final authority?

Mr. JACOBSEN. That is right.

Mr. WEITZ. Did he not, though, discuss amounts which he hoped they would contribute nonetheless?

Mr. JACOBSEN. No, I do not think he did. I think he was very careful not to try to commit Dr. Mehren.

Mr. WEITZ. What about between the time of that meeting with Mr. Kalmbach and February 1, 1972? Did you have any further conversations with Mr. Kalmbach, or do you know whether Mr. Nelson did?

Mr. JACOBSEN. No, I do not.

Mr. McNELIS. Let us start with No. 1.

Mr. WEITZ. Did you have any further conversations?

Mr. JACOBSEN. No, I don't believe I did—yes, I did, to make an appointment for Dr. Mehren and Nelson.

Mr. WEITZ. For a second meeting?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And when did that meeting take place?

Mr. JACOBSEN. February 3, I think.

Mr. WEITZ. 1972?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So between the time of the first meeting between you and Kalmbach and Nelson and the second meeting, which included Dr. Mehren, which you remember to be February 3, 1972, the only conversation you know of between any of those three gentlemen and Mr. Kalmbach is your call to Mr. Kalmbach to set up the date of the meeting?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And in that telephone conversation, did you discuss anything else other than just the mechanics of setting up the time and place?

Mr. JACOBSEN. No, other than the fact that Dr. Mehren was the new general manager, and if we were going to do anything at all, Dr. Mehren had to get in the act.

Mr. WEITZ. Did you discuss the matter with Dr. Mehren between the first and second meeting with Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And what did you tell him?

Mr. JACOBSEN. I told him about the appointment.

Mr. WEITZ. Did you make any recommendations with regard to political contributions?

Mr. JACOBSEN. I recommended that they make a substantial contribution.

Mr. WEITZ. Did he ask how much?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you tell him how much?

Mr. JACOBSEN. No.

Mr. WEITZ. What was his response to your suggestion?

Mr. JACOBSEN. He wasn't too excited about it.

Mr. WEITZ. Did he ever ask you whether a commitment had been made to the Republicans the previous year?

Mr. JACOBSEN. No, he didn't ask me.

Mr. WEITZ. Did he ask you whether any commitment had been made at any time to Republicans or Republican fundraisers?

Mr. McNELIS. Who do you mean by "he"?

Mr. WEITZ. Dr. Mehren.

Mr. JACOBSEN. No, I don't think he did.

Mr. WEITZ. Do you know whether he asked Mr. Nelson or anyone else about any such commitments?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Did you and Mr. Nelson discuss the possibility of Dr. Mehren agreeing to a contribution to the Republican Party or to the President?

Mr. JACOBSEN. No.

Mr. WEITZ. I gather Mr. Nelson was in favor of a contribution, certainly from the time before he was deposed as head of the AMPI?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And you were in favor of such a contribution?

Mr. JACOBSEN. Yes.

Mr. WEITZ. But you did not discuss with each other the possibility of whether Dr. Mehren would agree to such a contribution, is that what you are telling us?

Mr. JACOBSEN. We knew Dr. Mehren had considerable doubt about making a contribution.

Mr. WEITZ. But you didn't discuss between the two of you the likelihood of his making a contribution, agreeing to a contribution?

Mr. JACOBSEN. No, I don't think so.

Mr. WEITZ. On page 45 of the same deposition, you state, in response to a question about whether or not a commitment existed, or whether or not specific amounts were mentioned:

"We said we wanted to get help for the Republicans, all of the money we could get for them."

Did you tell Mr. Kalmbach that?

Mr. JACOBSEN. Yes.

Mr. WEITZ. How much money did you think that was?

Mr. JACOBSEN. I didn't know. I was thinking in terms of \$500,000. I don't know why that figure stuck in my mind.

Mr. WEITZ. Was that half a million dollar commitment for the previous year?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you communicate that to Mr. Kalmbach?

Mr. JACOBSEN. No, I didn't. I didn't feel like I was in a position to.

Mr. McNELIS. May I ask a question?

Did you ever mention a specific amount of money in your conversation with Mr. Kalmbach?

Mr. JACOBSEN. No, I never did.

Mr. WEITZ. Did anyone at the meeting which you attended?

Mr. JACOBSEN. No.

Mr. WEITZ. Who was present at the second meeting?

Mr. JACOBSEN. Dr. Mehren, Mr. Nelson, Mr. Kalmbach, Mr. De Marco, and myself, I believe all of them were present.

Mr. WEITZ. Mr. DeMarco is the partner of Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Was a Mr. Olson of his office also present?

Mr. JACOBSEN. There might have been another person from his office present.

Mr. WEITZ. And this to the best of your recollection was February 3, 1972?

Mr. JACOBSEN. I believe that is right.

Mr. WEITZ. Where did the meeting take place?

Mr. JACOBSEN. Well, it took place in Mr. Kalmbach's office in Los Angeles.

Mr. WEITZ. Did the entire meeting take place there?

Mr. JACOBSEN. No, we went to lunch at some club. I don't remember the name of the club.

Mr. WEITZ. When the meeting began, what was discussed with regard to contributions?

Mr. JACOBSEN. Well, I don't remember who started the discussions or who said what to whom. But my recollection is that Mr. Kalmbach said, "I understand you would want to make a substantial contribution to the reelection of the President," and we just started talking about how the contribution would be made.

Mr. WEITZ. Did anyone say what magnitude the contribution would be?

Mr. JACOBSEN. No.

Mr. WEITZ. Or how much the contribution would be?

Mr. JACOBSEN. No, there was never any decision about amounts.

Mr. WEITZ. Did anyone raise a hypothetical amount that would be contributed?

Mr. JACOBSEN. No. The only thing that was discussed was that part of them would come in before April 7—is that the key date?

Mr. WEITZ. Do you recall that from the meeting?

Mr. JACOBSEN. Yes. And part of it would come in after April 7.

Mr. WEITZ. What part before and what part after?

Mr. JACOBSEN. I don't remember.

Mr. WEITZ. One would come before April 7 and one after, is that your recollection.

Mr. JACOBSEN. No, there were several before April 7 and one after, is my best recollection.

Mr. WEITZ. Was it Mr. Kalmbach who was making the discussion or discussions in those terms?

Mr. JACOBSEN. Yes, I think so.

Mr. WEITZ. Didn't he, in fact, say that if a contribution was made it could be made one-third, one-third, and one-fourth before April 7 and the remainder after April 7?

Does that refresh your recollection?

Mr. JACOBSEN. Something like that. I don't remember the exact figure.

Mr. WEITZ. Did Mr. DeMarco or the other gentleman from his firm say anything about that?

Mr. JACOBSEN. I don't recall, Mr. Weitz.

Mr. WEITZ. What was your response? What did you say in response to that?

Mr. JACOBSEN. I said that sounded fine to me.

Mr. WEITZ. Did that, to your way of thinking, take care of the problem that had arisen with regard to the 1971 contributions and which led to your contacting Mr. Kalmbach in 1972?

Mr. JACOBSEN. No; it took care of it only to the extent that the contribution would be made in one bulk amount rather than to a series of small nonexistent committees.

Mr. WEITZ. But in several pieces—

Mr. JACOBSEN. Several pieces.

Mr. WEITZ. But only three, perhaps, before April 7?

Mr. JACOBSEN. But in bigger amounts. I think Mr. Kalmbach had in mind that the contributions before April 7 wouldn't have to be reported but TAPE would have had to have reported that.

Mr. WEITZ. If you were talking about—if substantial amounts were contemplated, even breaking it down into four parts, it was likely that more than \$20,000 would be contributed, or contemplated, was it not?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So more than \$5,000 at each stage would be contributed?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And for the year 1972, or certainly after April 7, more than \$5,000 would have been contributed for the President's re-election?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Was there any discussion as to what form the contribution would take other than the bulk amount, and so forth?

Mr. JACOBSEN. No.

Mr. WEITZ. Was there any discussion that it would be made in cash?

Mr. JACOBSEN. No.

Mr. WEITZ. Or by check?

Mr. JACOBSEN. No.

Mr. WEITZ. There was no discussion either way?

Mr. JACOBSEN. No discussion.

Mr. WEITZ. What was Dr. Mehren's response to Mr. Kalmbach's suggestion?

Mr. JACOBSEN. Dr. Mehren was very noncommittal.

Mr. WEITZ. What did he say?

Mr. JACOBSEN. I don't remember.

Mr. WEITZ. You mean he did not make a commitment at that time?

Mr. JACOBSEN. Oh, no.

Mr. WEITZ. But did he respond in some way to the suggestions that contributions, if they were going to be made, could be made or should be made in that fashion?

Mr. JACOBSEN. No. He said he would think about it.

Mr. WEITZ. Did he ask Mr. Kalmbach why he was in the business of fundraising?

Mr. JACOBSEN. He asked him at lunch.

Mr. WEITZ. He asked him at lunch?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And what was Mr. Kalmbach's response?

Mr. JACOBSEN. To help the President.

Mr. WEITZ. Either at the first part of the meeting or at lunch, didn't Dr. Mehren ask Mr. Kalmbach why he wanted to put them through another bloodbath by having contributions in several stages before April 7?

Mr. JACOBSEN. If he did, I didn't hear it. He might have done it at lunch. They were sitting at a round table, and I may not have heard what they said.

Mr. WEITZ. It was then at the meeting in Mr. Kalmbach's firm beforehand, though?

Mr. JACOBSEN. I don't believe so.

Mr. WEITZ. What was Mr. Nelson's response at the meeting?

Mr. JACOBSEN. He didn't say anything or speak up.

Mr. WEITZ. Was there any other discussion with regard to contributions?

Mr. JACOBSEN. No.

Mr. WEITZ. At this meeting or at lunch?

Mr. JACOBSEN. No.

Mr. WEITZ. Was the matter of the lawsuit *Nader v. Butz* discussed at the meeting or at lunch?

Mr. JACOBSEN. No; not that I know of.

Mr. WEITZ. Did you discuss it with Mr. Nelson, apart from the meeting?

Mr. JACOBSEN. I did at one time or another. I knew about the lawsuit; yes.

Mr. WEITZ. What was the nature of those conversations?

Mr. JACOBSEN. Just that they told me Nader was suing over the increase in price support.

Mr. WEITZ. Did Mr. Nelson ever explain to you anything in connection with the price-support decision in this conversation in connection with the lawsuit?

Mr. JACOBSEN. All he said was that there was never a commitment to do anything.

Mr. WEITZ. You say at the meeting Mr. Kalmbach had made the suggestion of contributions in stages, bulk stages before April 7, and some smaller contributions after April 7?

Mr. McNELIS. Excuse me. With respect to smaller, that is my little issue. I understood the testimony to be, there would be parts paid before and parts after, rather than any—

Mr. JACOBSEN. That was your testimony.

Mr. WEITZ. You thought you said there may have been a discussion of a third, a third and a quarter before April 7.

Mr. JACOBSEN. There may have been.

Mr. WEITZ. That would have left a smaller proportion of the 100-percent contribution after April 7.

Mr. JACOBSEN. It may have been.

Mr. WEITZ. Can you tell us why you understood Mr. Kalmbach to have made that suggestion as to the significance of pre-April 7 versus post-April 7 contributions?

Mr. JACOBSEN. I think he was thinking in terms of reporting that the contributions made prior to April 7 wouldn't have to be reported.

Mr. WEITZ. Do you know what he based that understanding on?

Mr. JACOBSEN. No; I don't.

Mr. WEITZ. Did it have anything to do with the fact that he had received \$100,000 in 1969 from the dairy people which he didn't want reported?

Mr. JACOBSEN. No, I don't think so. I don't know, Mr. Weitz.

Mr. DORSEN. If I may, do you recall whether the conversation was such that it was contemplated that a larger proportion of the gift would be made prior to April 7?

Mr. JACOBSEN. Yes, that is my best recollection, that the larger portion would be made prior to April 7.

Mr. DORSEN. Since the whole assumption regarding the April 7 day on Mr. Kalmbach's part was that that portion would not have to be reported, did anyone mention to him that it was the anticipation of TAPE that they would report all contributions?

Mr. JACOBSEN. No.

Mr. DORSEN. If the contributions were reported, wouldn't you run into the same problem that was run into in 1971?

Mr. JACOBSEN. No; I don't think so, because in 1972 you remember they gave to a series of nonexistent committees, and that was really the problem.

Mr. DORSEN. It was anticipated that they would give through a series of committees that were in existence at this time?

Mr. JACOBSEN. They would be in existence, and they would be operative committees, and they would not create the problem.

Mr. DORSEN. It was clear by the early part of 1972 that the campaign was, of course, well underway, and that committees had been formed for the purpose of receiving contributions; isn't that correct?

Mr. JACOBSEN. Repeat your question. I am sorry.

Mr. DORSEN. Was it your understanding that the reason—I am rephrasing it, actually—was it your understanding that the reason for the problems in 1971 was that the campaign was not sufficiently far along that enough committees had been formed to receive the milk contributions?

Mr. JACOBSEN. I am not sure that—you say was that my understanding—

Mr. DORSEN. Your understanding of the problem as to why the committee had been nonexistent, was that it was so, just so early in the campaign that the committees had not been formed?

Mr. JACOBSEN. Probably so.

Mr. DORSEN. And this would presumably not be a problem in 1972?

Mr. JACOBSEN. That is correct.

Mr. DORSEN. Am I correct, then, that it was not necessary to see Mr. Kalmbach, in order to find or locate committees that were in existence?

Mr. JACOBSEN. No. Mr. Kalmbach was the fundraiser as I recall.

Mr. DORSEN. But couldn't checks have been mailed in—couldn't the Finance Committee To Re-Elect headquarters be called, and a list of committees obtained, and checks made out to those committees?

Mr. JACOBSEN. I suppose so.

Mr. DORSEN. What I am getting at, what was that that Mr. Kalmbach contributed to the solution of AMPI's problems?

Mr. JACOBSEN. He was in charge of the Committee To Re-Elect the President raising the money.

Mr. DORSEN. And he wanted to make sure that the person in charge of it was the one with whom AMPI or TAPE dealt?

Mr. JACOBSEN. Yes.

Mr. DORSEN. Was this so that there would be maximum exposure and knowledge of the contribution?

Mr. JACOBSEN. I think the problem was that AMPI didn't know who to deal with besides Mr. Kalmbach.

Mr. DORSEN. So that Mr. Kalmbach was clearly the major fundraiser on behalf of the President's reelection?

Mr. JACOBSEN. Yes.

Mr. WEITZ. How did you know that it was Mr. Kalmbach with whom they should deal? What about Mr. Stans?

Mr. McNELIS. In the chronology of events as he would understand it, Mr. Stans did not come on board until a certain date, and Kalmbach at one time was here and head of it, as I referred to it, until Stans came on board.

Mr. WEITZ. Mr. Jacobsen, did you know that Mr. Kalmbach ever held an official position in the Committee To Re-Elect the President?

Mr. JACOBSEN. Yes, I think he did.

Mr. WEITZ. Did you know what he did?

Mr. JACOBSEN. Head of the Finance Committee To Re-Elect, I think.

Mr. DORSEN. That is your understanding, I assume?

Mr. JACOBSEN. That is my understanding. Maybe he didn't.

Mr. DORSEN. But you were operating on the assumption that he was in fact the head of the Finance Committee To Re-Elect the President?

Mr. JACOBSEN. That is right.

Mr. WEITZ. Was there anything else about the second meeting that related to campaign contributions?

Mr. JACOBSEN. Not that I remember.

Mr. WEITZ. Is there anything else that took place at that meeting that related to any substantive problems or governmental programs involving AMPI or the milk producers?

Mr. JACOBSEN. Mr. Weitz, I don't remember. I think Dr. Mehren, at lunch, mentioned substantial problems that the dairy people were having.

Mr. WEITZ. Did he refer to the antitrust suit that had just been filed against AMPI?

Mr. JACOBSEN. Yes, I am sure he did.

Mr. WEITZ. And what did he say about it?

Mr. JACOBSEN. Well, he said that the Government wasn't treating them very good, or this administration wasn't treating them very good. And he mentioned the reasons why.

Mr. WEITZ. Was there anything else other than the antitrust suit that you recall he mentioned?

Mr. JACOBSEN. No, I don't recall specifically what he mentioned.

Mr. WEITZ. But at least you do recall that he referred to the antitrust suit?

Mr. JACOBSEN. And some other problems.

Mr. WEITZ. Did he refer to an IRS investigation of MPI or AMPI?

Mr. JACOBSEN. I don't think so.

Mr. WEITZ. What did he say with regard to the antitrust suits?

Mr. JACOBSEN. I don't know. I don't recall.

Mr. WEITZ. What did Mr. Kalmbach say?

Mr. JACOBSEN. Mr. Kalmbach was sympathetic with it.

Mr. WEITZ. At that time or any subsequent time, or even before that meeting, did Dr. Mehren ever indicate to you that he hoped that the contributions, if they were to be made, subsequent contributions would help to alleviate their problems with regard to the antitrust suit?

Mr. JACOBSEN. I think he did.

Mr. WEITZ. When was that, do you recall?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Was this in a private conversation with you?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Was Mr. Nelson present?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Did he ever indicate why that was his hope? Did he base it on any contacts or discussions he had with anyone else?

Mr. JACOBSEN. No, not that I know of.

Mr. WEITZ. It was just his hope?

Mr. JACOBSEN. It was his hope.

Mr. WEITZ. Did you communicate that to anyone else?

Mr. JACOBSEN. No, I did not. And he was very uncertain about whether he wanted to make a contribution, in view of the antitrust suit. He didn't want to be giving his money to a party that had filed suit against him.

Mr. WEITZ. Did he tell that to Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. That he didn't want to give any money—

Mr. JACOBSEN. He said he was uncertain as to whether or not he wanted to give any money.

Mr. WEITZ. Because of the antitrust suit?

Mr. JACOBSEN. That is one of the things.

Mr. WEITZ. Did he mention any others that you can recall?

Mr. JACOBSEN. No.

Mr. WEITZ. Did he mention others that you can't recall?

Mr. JACOBSEN. Yes; he did mention others that I can't recall.

Mr. WEITZ. Do you recall with any specificity what Mr. Kalmbach said in response to that?

Mr. JACOBSEN. No. Mr. Kalmbach was just sympathetic, and that is all. He didn't say anything. He didn't say he would get the suits dismissed.

Mr. WEITZ. Did he say he would hope that maybe the matter could be resolved somehow?

Mr. JACOBSEN. I don't recall him saying that.

Mr. WEITZ. Did he indicate that he would take any action?

Mr. JACOBSEN. No, he did not.

Mr. WEITZ. Did he indicate that he would talk to anyone about the antitrust suit?

Mr. JACOBSEN. I don't recall.

Mr. WEITZ. Was there anything else that was discussed at the meeting with regard to either political contributions or governmental policies affecting the dairy industry?

Mr. JACOBSEN. No.

Mr. DASH. Have you fixed the date?

Mr. WEITZ. February 3, 1972.

Mr. JACOBSEN. Are you taking that from me?

Mr. WEITZ. That is what you have testified to.

Mr. JACOBSEN. But you got it from somebody else, too, I hope.

Mr. WEITZ. We won't dispute your word today.

Mr. JACOBSEN. OK, that is good.

Mr. McNELIS. Are we fixed on the date, then?

Mr. JACOBSEN. I thought it was February 3, 1972.

Mr. WEITZ. After that meeting, did you have subsequent discussions with Mr. Nelson and/or Dr. Mehren concerning making a contribution from TAPE to the Republicans and President Nixon?

Mr. JACOBSEN. I am sure I did.

Mr. WEITZ. Did you continue to counsel in favor of such a contribution?

Mr. JACOBSEN. Yes, I did.

Mr. WEITZ. Was Mr. Nelson in agreement that a contribution should be made?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Was Dr. Mehren in agreement?

Mr. JACOBSEN. No.

Mr. WEITZ. Was he against a contribution?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did he communicate his decision to anyone?

Mr. JACOBSEN. No—

Mr. WEITZ. Other than the two of you?

Mr. JACOBSEN. He just kept telling us, he didn't think he wanted to give his money to the Republicans.

Mr. WEITZ. Did he ever communicate that to any Republican fund-raisers or anyone connected with the administration?

Mr. JACOBSEN. Not that I know. He may have. I don't know who he was talking to.

Mr. WEITZ. Were you in contact with Mr. Kalmbach after the February meeting?

Mr. JACOBSEN. Yes, I talked to him several times on the telephone.

Mr. WEITZ. Did he call you or did you call him?

Mr. JACOBSEN. I don't remember.

Mr. WEITZ. Do you know whether Mr. Kalmbach was in contact directly with Dr. Mehren after the February meeting other than before a subsequent meeting?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Did there come a time, subsequent to the February meeting, when you and Dr. Mehren and Mr. Nelson met again with Mr. Kalmbach?

Mr. JACOBSEN. Yes. We met at the Madison Hotel.

Mr. WEITZ. Do you know when that took place?

Mr. JACOBSEN. No.

Mr. WEITZ. Approximately how long after the February meeting did it take place?

Mr. JACOBSEN. I don't know, Mr. Weitz.

Mr. WEITZ. Was it more than 2 months later?

Mr. JACOBSEN. It might have been.

Mr. WEITZ. Was Mr. Kalmbach staying at the Madison at the time?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And were you staying there, too?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. And so were Dr. Mehren and Mr. Nelson?

Mr. JACOBSEN. Yes; if that would pin it down with your folios?

Mr. WEITZ. How did you come to Washington for that meeting?

Mr. JACOBSEN. On a commercial airline.

Mr. WEITZ. Did you come to Washington for that meeting specifically?

Mr. JACOBSEN. No, I don't think so.

Mr. WEITZ. Was that the same week that you met with Mr. Connally together with Dr. Mehren and Mr. Nelson?

Mr. JACOBSEN. I don't recall.

Mr. WEITZ. It may have been, but you do not recall?

Mr. JACOBSEN. It may have been.

Mr. WEITZ. Was the meeting before April 7, this subsequent meeting with Mr. Kalmbach?

Mr. JACOBSEN. I don't know, Mr. Weitz.

Mr. WEITZ. Was it later than April 30?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. If it was later than April 30, that would place it 3 months after the first meeting. Would it have been 3 months after the first meeting—second meeting?

Mr. JACOBSEN. I don't know, Mr. Weitz.

Mr. McNELIS. Have you got anything that will fix the date?

Mr. DASH. Can he fix that with respect to price supports?

Mr. WEITZ. This is 1972.

Mr. McNELIS. If you fellows will suggest a date, it may jog his recollection and we can go on from there.

Mr. WEITZ. We have the Madison Hotel records through April of 1972. In February, March, and April that indicate—I will have you identify your records, I don't think it is appropriate for you to identify the records for Mr. Kalmbach, Mr. Nelson or Dr. Mehren—that the only days on which the four of you were all in the Madison is the period of March 15 and 16 of 1972. Does that refresh your recollection?

Mr. JACOBSEN. No.

Mr. WEITZ. Let me just show you the packet of Madison Hotel records for the period March 1 to April 30, 1972, in your name. Why don't

you look through that and see whether any of the charges or any of the other dates listed here will refresh your recollection as to the approximate time of that meeting.

Mr. JACOBSEN. Mr. Weitz, this doesn't help me a bit.

Mr. WEITZ. But for the months of April and May, Mr. Kalmbach's records don't indicate that he was in the Madison after the 7th or the 8th of April 1972. Would that indicate to you, then—did the meeting take place, for example, before the summer of 1972? Is that consistent with your recollection?

Mr. JACOBSEN. Yes, I think so.

Mr. WEITZ. So sometime between February 3, 1972, and perhaps June of 1972?

Mr. JACOBSEN. Perhaps, that is right.

Mr. WEITZ. When you met Mr. Kalmbach, was he packing and leaving the hotel?

Mr. JACOBSEN. Yes, he was going to New York.

Mr. WEITZ. He was going to New York?

And again if Mr. Kalmbach's calendar indicates that on the 16th of March 1972, he left Washington from the Madison Hotel and went to New York, would that refresh your recollection?

Mr. JACOBSEN. Well, nothing is going to refresh my recollection. It will be pinned down by the facts.

Mr. WEITZ. But you do remember he was on his way from the Madison to New York.

Mr. JACOBSEN. Correct, he was packing his bag as he was talking to us.

Mr. WEITZ. And he was staying at the Madison when you met with him?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And it would have been before June of 1972, and after February 3, 1972?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Was that also the same week that you met with Mr. Connally?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. If Mr. Connally's records indicate that on March 16, 1972, he met with you, Mr. Jacobsen, Mr. Nelson and Dr. Mehren, would that refresh your recollection?

Mr. JACOBSEN. Yes, that might—nothing is going to—you are being too persistent.

Mr. WEITZ. Let me ask you this.

In 1972, how many times did you meet with Mr. Connally together with Mr. Nelson and Dr. Mehren?

Mr. JACOBSEN. Just once.

Mr. WEITZ. And if Mr. Connally's records show that meeting to be March 16, 1972, you would not dispute that?

Mr. JACOBSEN. No.

Mr. McNELIS. What those records reflect, as I understand it, that it is what it will be whatever it is, according to the records?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And March 16, 1972, is also the day, as I indicated, that Mr. Kalmbach left the Madison for New York.

But you are not sure whether that is the same day that you met with Mr. Connally and Mr. Kalmbach?

Mr. JACOBSEN. No.

Mr. WEITZ. You don't place the record in sequence at that point in time?

Mr. JACOBSEN. Not at this time, today I don't.

Mr. WEITZ. How did you come to meet with Mr. Kalmbach on this third occasion?

Mr. JACOBSEN. He called and said he wanted to see us in his room.

Mr. WEITZ. Did you know ahead of time that you would be meeting with him sometime in that time period, or in some time period, in other words, were you waiting for his call?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Had you arranged for that before you came to Washington?

Mr. JACOBSEN. No, I think I had talked to him in the hotel.

Mr. WEITZ. Did Dr. Mehren and Mr. Nelson know that they would be meeting with Mr. Kalmbach?

Mr. JACOBSEN. Yes, I think so.

Mr. WEITZ. Before you saw Kalmbach in the hotel, or after that?

Mr. JACOBSEN. After.

Mr. WEITZ. What did you talk to Mr. Kalmbach about in the hotel when you ran into him?

Mr. JACOBSEN. Well, I talked to him about the milk contribution, what was the situation, and what was going to happen, did he want the contribution, or did they want to make it.

Mr. WEITZ. Did you know whether Dr. Mehren was prepared to make it or not.

Mr. JACOBSEN. No; I still didn't know for sure whether he would make it or not.

Mr. WEITZ. Did you check with Dr. Mehren as to whether he wanted to meet with Mr. Kalmbach before he had decided whether or not he wanted to make a contribution?

Mr. JACOBSEN. No, I didn't check with him.

Mr. WEITZ. And what did Mr. Kalmbach tell you when you talked to him?

Mr. JACOBSEN. In his room?

Mr. WEITZ. No, before that, in setting up the meeting.

Mr. JACOBSEN. He said he would find out more about the milk situation and let us know.

Mr. WEITZ. Who was he going to check with?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. At that meeting Mr. Mitchell was heading the campaign, was he not?

Mr. JACOBSEN. I guess so. I don't know.

Mr. WEITZ. If Mr. Mitchell came in the campaign in February, 1972, it would have been after that. So, presumably Mr. Mitchell was head of the campaign.

Do you know whether he checked with Mr. Mitchell?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. Do you know whether he checked with Mr. Stans?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Do you know whether he checked with Mr. Connally?

Mr. JACOBSEN. No.

Mr. WEITZ. How did you come to meet in Mr. Kalmbach's room? He called you?

Mr. JACOBSEN. He called and asked me to come down to his room.

Mr. WEITZ. The three of you?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And did you do so?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And what took place there?

Mr. JACOBSEN. He said that the Committee To Re-Elect the President was not interested in any more contributions from the milk people.

Mr. WEITZ. And all three of you were present with Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And you came in together?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So everything that transpired, transpired in the presence of all four of you?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Did he give a reason for the decision?

Mr. JACOBSEN. No, not that I recall. He was in such a hurry, he just gave us the decision and kind of grabbed his bags and went off.

Mr. WEITZ. Did Dr. Mehren or any of you say anything in response?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Nothing at all?

Mr. JACOBSEN. I don't recall.

Mr. WEITZ. Did he say anything to the effect that, "Dr. Mehren, if you want to take your weary bones back to California someday, you will be happy to hear that I don't want any money from you," does that refresh your recollection?

Mr. JACOBSEN. No, I don't remember that.

Mr. WEITZ. Were you surprised at the decision, or the information that he gave you?

Mr. JACOBSEN. Yes, I was.

Mr. WEITZ. And none of you said anything of any significance when he said that?

Mr. JACOBSEN. No.

Mr. WEITZ. You just said, thank you and left?

Mr. JACOBSEN. Substantially, yes.

Mr. WEITZ. After the meeting did you discuss it with Mr. Nelson or Dr. Mehren?

Mr. JACOBSEN. Yes.

Mr. WEITZ. What did you discuss?

Mr. JACOBSEN. We discussed the fact that they didn't want a contribution.

And Mehren said, "Well, I don't believe I wanted to make one anyway."

Mr. WEITZ. Was there any speculation or discussion as to why they didn't want any further contributions?

Mr. JACOBSEN. I don't remember, Mr. Weitz.

Mr. WEITZ. Approximately what time of the day was the meeting, do you recall?

Mr. JACOBSEN. It was in the late afternoon.

Mr. WEITZ. Late afternoon. After that meeting, did you have any further conversation with Mr. Kalmbach about contributions from the dairy people?

Mr. JACOBSEN. No, I don't believe so.

Mr. WEITZ. None at all?

Mr. JACOBSEN. I don't believe so.

Oh, yes, of course, I did.

Mr. WEITZ. What were those conversations?

Mr. JACOBSEN. I don't remember when that meeting was with the Dairymen, Inc., group.

Mr. WEITZ. Did there come a time when you met with Mr. Kalmbach and several representatives of Dairymen, Inc.?

Mr. JACOBSEN. Dairymen's, Inc. Yes.

Mr. WEITZ. Who from Dairymen?

Mr. JACOBSEN. Mr. Westwater and Mr. Morgan.

Mr. WEITZ. How did they come to meet with Mr. Kalmbach and you?

Mr. JACOBSEN. I made the appointment.

Mr. WEITZ. Did you first contact them, "them" meaning Mr. Morgan and Mr. Westwater?

Mr. JACOBSEN. Yes, I talked to them.

Mr. WEITZ. You first contacted them about this meeting?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Why did you contact them?

Mr. JACOBSEN. I asked them if they wouldn't like to go out and meet with Mr. Kalmbach.

Mr. WEITZ. Had you checked with Mr. Kalmbach first about this?

Mr. JACOBSEN. No.

Mr. WEITZ. Did Mr. Kalmbach ever indicate that he wanted to solicit contributions from any other of the dairy co-ops?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you ever arrange any other meeting with Mr. Kalmbach and any other possible or potential contributors?

Mr. JACOBSEN. No.

Mr. WEITZ. This was the only instance?

Mr. JACOBSEN. This was the only instance.

Mr. WEITZ. This and the meetings with Dr. Mehren?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Did you do so at Mr. Connally's suggestion?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you tell Mr. Connally that you were doing so?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you tell Mr. Nelson that you were doing so?

Mr. JACOBSEN. Doing what?

Mr. WEITZ. Arranging a meeting between Mr. Kalmbach and some people from the other co-ops?

Mr. JACOBSEN. I don't recall if I did or not.

Mr. WEITZ. Were you in contact with Mr. Nelson about trying to arrange contributions from the other co-ops in 1972?

Mr. JACOBSEN. No, I don't think so.

Mr. WEITZ. What was Mr. Morgan's and Mr. Westwater's response to your suggestion?

Mr. JACOBSEN. They thought they would like to meet Mr. Kalmbach.

Mr. WEITZ. Did they indicate they wanted to make a contribution?

Mr. JACOBSEN. Yes, they did.

Mr. WEITZ. In what amount?

Mr. JACOBSEN. They didn't say.

Mr. WEITZ. What did you next do? Did you then call Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. What did he say?

Mr. JACOBSEN. He said he would meet with them.

Mr. WEITZ. Was he reluctant, or did he seem fairly anxious and congenial about meeting with them?

Mr. JACOBSEN. He seemed congenial about meeting with them.

Mr. WEITZ. Do you know, in fact, when the meeting took place?

Mr. JACOBSEN. No, I don't know.

Mr. WEITZ. Was it sometime in the summer of 1972?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you fly out with those two gentlemen to see Mr. Kalmbach?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And the meeting took place where?

Mr. JACOBSEN. In his office.

Mr. WEITZ. In Los Angeles?

Mr. JACOBSEN. Yes.

Mr. WEITZ. What took place at the meeting?

Mr. JACOBSEN. It was just a general discussion, a friendly discussion, they didn't talk about contributions or anything else.

Mr. WEITZ. They flew from Louisville to Los Angeles and didn't talk about contributions?

Mr. JACOBSEN. No; they just talked about the dairy industry problems. I don't really recall everything that was said at the meeting.

Mr. WEITZ. Let's try a few things. Did they discuss the Justice Department or FBI investigation of Dairymen, Inc., in connection with antitrust matters?

Mr. JACOBSEN. No.

Mr. WEITZ. Did they discuss price supports with Mr. Kalmbach?

Mr. JACOBSEN. They may have.

Mr. WEITZ. Did they discuss import quotas with Mr. Kalmbach?

Mr. JACOBSEN. They may have.

Mr. WEITZ. Did they discuss political contributions with Mr. Kalmbach?

Mr. JACOBSEN. They may have mentioned political contributions in the meeting.

Mr. WEITZ. Did they indicate they wanted to make a contribution, or be helpful, or support the President?

Mr. JACOBSEN. Yes, I think they did.

Mr. WEITZ. Did they say what amount?

Mr. JACOBSEN. No, they did not.

Mr. WEITZ. Did they say substantial?

Mr. JACOBSEN. I don't think they did.

Mr. WEITZ. Did Mr. Kalmbach suggest how much contributions could be made?

Mr. JACOBSEN. He may have.

Mr. WEITZ. What did he suggest?

Mr. JACOBSEN. That they be made to the Committee To Re-Elect?

Mr. McNELIS. Do you have any recollection, Jake, whether he did or did not at this stage of the game?

Mr. JACOBSEN. No, I don't really have any recollection at all.

Mr. DASH. Is this a meeting after the meeting when Mr. Kalmbach said the committee didn't want any more money from the dairy people?

Mr. JACOBSEN. I don't recall.

Mr. McNELIS. It is not fixed at all when this was.

Mr. WEITZ. I take it from what you said that the meeting with Mr. Kalmbach in the Madison Hotel took place sometime in the summer of 1972?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And you believe the meeting with Mr. Kalmbach and the Dairymen, Inc., people took place sometime in the summer or middle of 1972?

Mr. JACOBSEN. That is my recollection, that it was after he said he didn't want any money from AMPI.

Mr. DASH. After he said he didn't want any money, what made you pursue this?

Mr. JACOBSEN. This wasn't AMPI, this was a different area.

Mr. DASH. But specifically he didn't want it from AMPI?

Mr. JACOBSEN. No.

Mr. WEITZ. Didn't Mr. Kalmbach say in fact he didn't want any more money at this time from AMPI or the dairy people?

Mr. JACOBSEN. I don't recall whether he said that or not, Mr. Weitz.

Mr. DASH. I am trying to figure out why you draw a distinction between who gave money. Mr. Kalmbach was raising financial contributions.

Do you understand what distinctions there would be as to whether or not he would accept so much from AMPI, or wouldn't want any more from AMPI, but he would accept some from some other dairy co-ops?

Mr. JACOBSEN. No, I don't know, Mr. Dash, any more than I understand why Connally would take money from Dairymen, Inc., and not take any from AMPI.

Mr. WEITZ. You indicated that Dr. Mehren, had he been asked to, would have been disposed not to make contributions?

Mr. JACOBSEN. That is correct, that is what he said.

Mr. WEITZ. But he did indicate that Mr. Morgan and Mr. Westwater were interested in making contributions?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Is there anything else at the meeting which took place in connection with the contributions or substantive matters involving the dairy industry?

Mr. JACOBSEN. Not that I recall.

Mr. McNELIS. And this meeting we have been talking about, we are talking about the Dairymen, Inc., group?

Mr. WEITZ. Yes, sir, Westwater and Morgan.

After that meeting did you contact Mr. Kalmbach to make arrangements for a contribution to be made to the Committee To Re-Elect?

Mr. JACOBSEN. No, I did not.

Mr. WEITZ. Why was that?

Mr. JACOBSEN. I just didn't.

Mr. WEITZ. Do you know whether in fact Mr. Morgan and Mr. Westwater made the decision or had made the decision to contribute money to the Committee To Re-Elect.

Mr. JACOBSEN. Yes, they did.

Mr. WEITZ. But it wasn't done through you?

Mr. JACOBSEN. No.

Mr. WEITZ. But it was done through Mr. Kalmbach?

Mr. JACOBSEN. I don't know.

Mr. WEITZ. So to your understanding there was no follow-up to that meeting with Mr. Kalmbach?

Mr. JACOBSEN. No.

Mr. WEITZ. Were there any other discussions that you had with Mr. Kalmbach about contributions from the dairy industry?

Mr. JACOBSEN. No, not that I recall.

Mr. WEITZ. Let's go off the record.

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Going back to an early aspect of this interview, you said that Semer, Parr and Nelson had met with Harry Dent sometime after the 1969 contribution to Kalmbach.

Mr. JACOBSEN. Yes.

Mr. SANDERS. And you were not present at that meeting?

Mr. JACOBSEN. No, I wasn't.

Mr. SANDERS. And did one of those gentlemen tell you of the meeting?

Mr. JACOBSEN. They just told me that that took place.

Mr. SANDERS. Did they tell you of any of the circumstances?

Mr. JACOBSEN. No.

Mr. SANDERS. Did you know the purpose of the meeting?

Mr. JACOBSEN. No, I don't. I think it was—no, this is the wrong way—I think it was to discuss dairy problems—I don't know the purpose of the meeting, Mr. Sanders.

Mr. SANDERS. Are you aware that the milk trusts made contributions to Republican and Democratic Congressmen in 1971 who supported milk legislation introduced in March 1971?

Mr. JACOBSEN. Yes, sir.

Mr. SANDERS. Did you have any involvement in arranging the contributions to these Congressmen?

Mr. JACOBSEN. No, I did not.

Mr. SANDERS. Did you have any discussions with any officials of AMPI concerning the contributions to these Congressmen?

Mr. JACOBSEN. No, I did not.

Mr. SANDERS. Were you involved in any way in the effort made by the dairy industry to obtain a statutory increase in the price support as opposed to the executive?

Mr. JACOBSEN. No, sir.

Mr. DASH. Was that a different liaison?

Mr. JACOBSEN. Let me explain something.

When TAPE made contributions to Congressmen I really didn't know anything about it. Mr. Nelson, Mr. Parr, Mr. Lilly, and Mr. Isham did those things themselves, I didn't know, they didn't tell me anything about it. And so, therefore, I didn't know what contributions were made to any Congressman.

Mr. SANDERS. In March 1971 were you aware that AMPI had mounted an effort to get legislation introduced and passed?

Mr. JACOBSEN. Oh, yes, sir.

Mr. SANDERS. How did you become aware of this?

Mr. JACOBSEN. Well, I was told that by Parr and Nelson, they told me they were working real hard to get Congressmen lined up.

Mr. SANDERS. Did they tell you that—let me ask you, first of all, were you aware of who had drafted the legislation?

Mr. JACOBSEN. No, sir; I was not.

Mr. McNELIS. May I ask one question.

Did Mr. Long draft the legislation, do you know?

Mr. JACOBSEN. No.

Mr. McNELIS. Did you draft any legislation?

Mr. JACOBSEN. No.

Mr. SANDERS. Did they mention any particular Congressmen to you whom they felt were key or vital in the introduction and passage of the legislation?

Mr. JACOBSEN. No, I don't believe they did, Mr. Sanders.

Mr. SANDERS. Did they explain to you in any way their tactics or strategy in this lobbying effort?

Mr. JACOBSEN. Yes. They were bringing farmers in from different States and calling on the Congressmen.

Mr. SANDERS. And how were they accomplishing this? How were they getting the dairymen into Washington?

Mr. JACOBSEN. Through the different organizations.

Mr. SANDERS. Did they mention to you the matter of contributions to key Congressmen?

Mr. JACOBSEN. No, sir.

Mr. SANDERS. Would this have been at a time after the initial decision by the Secretary of Agriculture to maintain supports at the previous year's level?

Mr. JACOBSEN. I think so.

Mr. SANDERS. Was anything said to you by any officials of AMPI with respect to congressional pressure on the White House?

Mr. JACOBSEN. No, sir.

Mr. SANDERS. Do you have any knowledge of an arrangement between AMPI and an organization in Minneapolis under the name of Valentine, Sherman & Associates?

Mr. JACOBSEN. No, sir.

Mr. SANDERS. Is the name of that firm familiar to you?

Mr. JACOBSEN. No, sir.

Mr. SANDERS. And you have never heard of that before?

Mr. JACOBSEN. I never heard of it before.

Mr. SANDERS. Do you have any knowledge of funds being made available by AMPI to the 1972 Presidential campaign of Senator Humphrey?

Mr. JACOBSEN. Yes, I knew they made substantial contributions.

Mr. SANDERS. In what form?

Mr. McNELIS. You mean currency or cash?

Mr. SANDERS. I mean, just what do you know about those contributions?

Mr. JACOBSEN. I just know they told me they had made substantial contributions to Senator Humphrey.

Mr. SANDERS. Who told you this?

Mr. JACOBSEN. Parr and Nelson.

Mr. SANDERS. Do you remember when they might have told you?

Mr. JACOBSEN. No, I don't.

Mr. SANDERS. Did it appear to you that they were speaking of funds from TAPE?

Mr. JACOBSEN. Yes.

Mr. SANDERS. Did you ever learn that they might have made contributions other than through TAPE?

Mr. JACOBSEN. No.

Mr. McNELIS. To Senator Humphrey you are still talking about?

Mr. SANDERS. Yes.

Mr. JACOBSEN. No, I didn't know that.

Mr. SANDERS. Did you ever learn of AMPI payments for goods or services rendered to the Humphrey campaign?

Mr. JACOBSEN. No, sir; I didn't.

Mr. SANDERS. Do you have any knowledge of AMPI funds being made available for the campaign of Senator Muskie, the Presidential campaign?

Mr. JACOBSEN. Yes, I understand that they made some funds available to Senator Muskie.

Mr. SANDERS. Again you are talking about TAPE funds?

Mr. JACOBSEN. Yes.

Mr. SANDERS. Are you acquainted with Stuart Russell?

Mr. JACOBSEN. No, I don't know Mr. Russell.

Mr. SANDERS. Do you have any knowledge of any funds being made available to Senator Muskie's Presidential campaign by reason of any involvement of or services of Stuart Russell?

Mr. JACOBSEN. No, I don't.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Before we leave it I just want to understand, the meeting that we have discussed with Mr. Kalmbach in 1972 that you attended, the two meetings in Los Angeles involving Mr. Nelson and one with Dr. Mehren in January and February of 1972, and again the meeting with you and Mr. Morgan and Mr. Westwater sometime in the middle of 1972, and Mr. Kalmbach, on each of those occasions was it your understanding that the sole purpose for those gentlemen and yourself going to Los Angeles was for the meeting with Mr. Kalmbach?

Mr. JACOBSEN. Correct.

Mr. WEITZ. And immediately after the meeting in each case they returned to either Texas or Louisville, whatever the case may be?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. I would like to turn to the meeting with Mr. Connally. But before we do, did you know of any contact or any meeting, however brief, between Mr. Lilly and Mr. Connally in 1971?

Mr. JACOBSEN. No.

Mr. WEITZ. Did anyone ever tell you of such meeting?

Mr. JACOBSEN. No.

Mr. WEITZ. Did either Mr. Connally or Mr. Lilly ever mention to you any contact that they had with each other in 1971?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know whether Mr. Lilly and Mr. Connally know each other?

Mr. JACOBSEN. I would assume that the Secretary—

Mr. McNELIS. The question was, do you know?

Mr. JACOBSEN. No, I do not know.

Mr. WEITZ. Do you assume that they do? Do you have any facts on which to base any assumption?

Mr. JACOBSEN. No, I have no facts, except that Lilly hung around the State capitol a lot.

Mr. WEITZ. This was in the 1960's when Connally was Governor?

Mr. JACOBSEN. Yes.

Mr. WEITZ. How long a period of time was that when he was Governor in the sixties?

Mr. JACOBSEN. Three terms, 6 years.

Mr. WEITZ. And throughout that period you saw Mr. Lilly quite a bit at the State capitol, frequently at the State capitol?

Mr. JACOBSEN. No. I was in Washington part of the time. But I knew Mr. Lilly spent a lot of time at the State capitol.

Mr. WEITZ. Do you know whether he met with Mr. Connally any time during that period?

Mr. JACOBSEN. Now, I am just assuming. You said assume.

Mr. DASH. When did you fix the date on the time when you went to Mr. Lilly for the moneys for Mr. Connally's use?

Mr. JACOBSEN. Sometime in May, I think.

Mr. DASH. May of 1971, was that it?

Mr. WEITZ. Yes.

Mr. DASH. You said you linked Mr. Lilly because you went to him for political matters.

Mr. JACOBSEN. Yes.

Mr. McNELIS. It was a little more definitive than that.

Mr. DASH. And at no time, at that time when you went to Mr. Lilly, did you tell Mr. Lilly that you had money for Mr. Connally's—I think that is the way you used it—you never mentioned that you had ever met with Mr. Connally or talked to Mr. Connally about the interest of the milk industry.

Mr. JACOBSEN. No.

Mr. WEITZ. I believe you said that there was a meeting that took place in 1972, only one meeting between Mr. Connally, yourself, Dr. Mehren, and Mr. Nelson.

Mr. JACOBSEN. Yes.

Mr. WEITZ. Could you tell us about that meeting, how that came to pass?

Mr. JACOBSEN. Well, I thought I ought to introduce Dr. Mehren to Secretary Connally, since he was the new general manager of the AMPI. And I did arrange for a time for that meeting.

Mr. WEITZ. Did you introduce him to any other Government officials?

Mr. JACOBSEN. No. He wanted to meet a lot of them, but I had other people introduce them.

Mr. WEITZ. Did he ask you to introduce him to Mr. Connally?

Mr. JACOBSEN. I do not recall if he asked me or if I suggested it. I may have suggested it.

Mr. WEITZ. And did you also suggest why it would be a good reason for him to meet Mr. Connally?

Mr. JACOBSEN. Secretary Connally was Secretary of the Treasury, and that he was very influential in this administration.

Mr. WEITZ. Did that have anything to do—did you relate that in any way to the pending antitrust suit against AMPI?

Mr. JACOBSEN. No; I did not relate it to anything. I figured that from my standpoint this was purely a meeting for them to get to know each other. When we got there Dr. Mehren mentioned the antitrust suit and several other matters.

Mr. DASH. You know Mr. Connally, I think you indicated, from way back.

Mr. JACOBSEN. About 25 years.

Mr. DASH. Did you know any other Cabinet member or person holding a high White House position as well as you did Mr. Connally?

Mr. JACOBSEN. No, sir.

Mr. DASH. As a matter of fact, did you know any of them well?

Mr. JACOBSEN. I did not know any of them.

Mr. DASH. So Mr. Connally was the only one you knew of importance in the administration?

Mr. JACOBSEN. Correct.

Mr. DASH. And you had access to Mr. Connally in introducing Dr. Mehren?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Did you also indicate to Dr. Mehren that it would be good for him to meet someone who was very close to the President or had access to the President?

Mr. JACOBSEN. No; I do not think I indicated that.

Mr. WEITZ. Do you know whether Mr. Connally was very close to the President?

Mr. JACOBSEN. Yes, I assumed he was.

Mr. WEITZ. Did you arrange a meeting with Mr. Connally?

Mr. JACOBSEN. Yes, I did.

Mr. WEITZ. For a meeting in his office with the other two gentlemen?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you fly into Washington with the other gentlemen to meet with Mr. Connally?

Mr. JACOBSEN. No, I do not think so.

Mr. WEITZ. Do you know whether they came to Washington primarily or specifically to meet with Mr. Connally?

Mr. JACOBSEN. I think Dr. Mehren came to meet a lot of the new people in the administration.

Mr. WEITZ. Do you know who else he met with during that trip?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. Could you tell us what took place at the meeting?

Mr. JACOBSEN. Well, I introduced Dr. Mehren to Secretary Connally, and Connally was pleased to meet him, and grinned and smiled. And Dr. Mehren proceeded to tell Secretary Connally about the problems that AMPI had been having with this administration.

Mr. WEITZ. What problems did he mention?

Mr. JACOBSEN. He mentioned the antitrust suit, and dairy imports, and price supports, I believe. He mentioned several problems.

Mr. WEITZ. Did he mention an Internal Revenue Service investigator audit of AMPI or of FMPI?

Mr. JACOBSEN. He may have.

Mr. WEITZ. What did he say specifically with regard to each of these matters?

Mr. JACOBSEN. He just stated the AMPI position.

Mr. WEITZ. What was the AMPI position with regard to the antitrust suit that he stated?

Mr. JACOBSEN. That it was precipitately filed, that it was filed in a hurry, and he did not think it was proper, it was not justified, and they should not have filed it.

Mr. WEITZ. Had you been aware of the antitrust suit prior to that time?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. Did Dr. Mehren ask Mr. Connally to do anything for them with respect to the antitrust suit?

Mr. JACOBSEN. No, he did not ask.

Mr. WEITZ. He said it was precipitately filed. Did he say anything else about the antitrust suit?

Mr. JACOBSEN. I do not remember what he said.

Mr. WEITZ. What was Mr. Connally's response?

Mr. JACOBSEN. He was sympathetic.

Mr. WEITZ. Did he indicate there was nothing he could do, or was he merely sympathetic?

Mr. JACOBSEN. He was merely sympathetic.

Mr. WEITZ. What was discussed with regard to import quotas?

Mr. JACOBSEN. I do not recall.

Mr. WEITZ. What was discussed with regard to price supports?

Mr. JACOBSEN. I think they reviewed the byplay of what had happened before. That was about it.

Mr. WEITZ. Did Mr. Connally say that it was not wise just after another increase after all the furor over the previous year's increase?

Mr. JACOBSEN. I do not think he said that.

Mr. WEITZ. Did Dr. Mehren ask Mr. Connally to do what he could to help them obtain another increase?

Mr. JACOBSEN. No, I do not believe so.

Mr. WEITZ. Did he ask Mr. Connally to help them in the import quotas area to eliminate import quotas for competing dairy products?

Mr. JACOBSEN. I do not think he asked the Secretary to really do anything, I think he just stated the problems.

Mr. WEITZ. And in general you say Mr. Connally was sympathetic. Did he say, "That is really too bad, and I certainly understand, and something ought to be done about it"? Did he give any specific type of response?

Mr. JACOBSEN. No, he just said, "That is certainly too bad."

Mr. WEITZ. Did he say he would contact anyone about these matters?

Mr. JACOBSEN. He did not.

Mr. WEITZ. Did he in fact call anyone about these matters?

Mr. JACOBSEN. Not that I recall.

Mr. WEITZ. Did he speak to Mr. Mitchell about them?

Mr. JACOBSEN. Not while we were in the room, I do not believe.

Mr. WEITZ. Did he indicate that he would speak to anyone else other than Mr. Mitchell?

Mr. JACOBSEN. No, he did not.

Mr. McNELIS. Is it accepted as a fact that he did indicate that he spoke to Mr. Mitchell?

Mr. WEITZ. No, I said anyone else other than Mr. Mitchell.

Mr. DASH. Again, the purpose of introducing Dr. Mehren to Secretary Connally, I take it, was to introduce him to an influential member of the Government?

Mr. JACOBSEN. Correct.

Mr. DASH. Not just to say hello, was it? Certainly, Dr. Mehren wanted to express his dissatisfaction.

Mr. JACOBSEN. Oh, he did express it.

Mr. DASH. And I take it, he was not just expressing dissatisfaction to Secretary Connally just to be heard. But would it be your understanding, being present at that meeting, that he hoped that Secretary Connally would favor them or do something to help them?

Mr. JACOBSEN. I think in the back of his mind he was hoping that by stating the problems that he could get sympathetic understanding from Secretary Connally.

Mr. DASH. And whatever Secretary Connally could do he would do, otherwise the meeting—

Mr. JACOBSEN. I think that is right. I think that was in Dr. Mehren's mind. But I cannot read Dr. Mehren's mind.

Mr. DASH. I guess it was part of your purpose to introduce Dr. Mehren to assist that relationship, was it not?

Mr. JACOBSEN. No, I really thought by introducing Dr. Mehren, when some specific problem came up later he might then want to talk to Secretary Connally. I did not think he was going to use it as a forum for discussing all the problems.

Mr. DASH. Were you surprised when he suddenly let loose on all his problems?

Mr. JACOBSEN. Yes, I was, sir.

Mr. WEITZ. Were political contributions discussed?

Mr. JACOBSEN. No.

Mr. WEITZ. Was political support by the dairy people for the President or his reelection mentioned in any way?

Mr. JACOBSEN. No, I do not think it was.

Mr. WEITZ. There was no reference to the relationship between these problems the dairy industry was having with the administration as Dr. Mehren explained them and the 1972 election?

Mr. JACOBSEN. I think that that—it might have been mentioned, Mr. Weitz, but if it was not mentioned, it was implicit in what was being said.

Mr. WEITZ. It was under that that these problems might affect the election?

Mr. JACOBSEN. Sure.

Mr. WEITZ. Or support of the dairy people for the President?

Mr. JACOBSEN. Of course.

Mr. WEITZ. Did anyone address themselves to that problem or mention it in any way?

Mr. JACOBSEN. Mehren may have, but I do not recall.

Mr. WEITZ. Was there anything that took place at the meeting that you recall?

Mr. JACOBSEN. No.

Mr. WEITZ. Did Mr. Nelson say anything at the meeting?

Mr. JACOBSEN. No, he did not say anything.

Mr. WEITZ. Why did Mr. Nelson accompany the two of you?

Mr. JACOBSEN. Because he was here in Washington with Dr. Mehren.

Mr. WEITZ. Do you know why he was in Washington with Dr. Mehren?

Mr. JACOBSEN. I think he was on a consultant basis, and Dr. Mehren wanted him to attend the different meetings with him.

Mr. DASH. How long did the meetings last?

Mr. JACOBSEN. I would say about 30 minutes.

Mr. DASH. And where was the meetingplace?

Mr. JACOBSEN. In Secretary Connally's office.

Does his log show how long we met?

Mr. WEITZ. His log indicates it was a 40-minute meeting.

Mr. JACOBSEN. Ten minutes longer than I thought.

Mr. WEITZ. In that respect, did you consult with or meet with Mr. Connally for any period of time, either before or after that meeting, alone, without the presence of the other two gentlemen?

Mr. JACOBSEN. Yes, after the meeting.

Mr. WEITZ. At the end of the meeting with the four of you. And how did that take place?

Mr. JACOBSEN. The other two left and I stayed behind.

Mr. WEITZ. For how long?

Mr. JACOBSEN. Five minutes or so.

Mr. WEITZ. Did they leave the building or did they just wait for you?

Mr. JACOBSEN. They waited for me in the outer office.

Mr. WEITZ. And how did it come to pass that you stayed behind?

Mr. JACOBSEN. I think I wanted to talk a little Texas politics with the Secretary, I just lagged behind.

Mr. WEITZ. And you stayed behind for about 5 minutes?

Mr. JACOBSEN. For about 5 minutes.

Mr. WEITZ. And what did you discuss with Mr. Connally?

Mr. JACOBSEN. Texas politics is all I recall.

Mr. WEITZ. Is that all?

Mr. JACOBSEN. I believe that is all.

Mr. WEITZ. Did you discuss the IRS investigation with him?

Mr. McNELIS. Which one?

Mr. WEITZ. The IRS investigation of AMPI.

Mr. JACOBSEN. The only time I talked—and it may have been at this time, I am not sure—but I talked to Secretary Connally one time about the IRS investigation, to ask him if it was all right if we approached his law partner to represent AMPI in the IRS investigation, the head of their tax division.

Mr. WEITZ. Which partner was that?

Mr. JACOBSEN. Marvin Collie, C-o-l-l-i-e.

Mr. DASH. When you stayed behind, did Mr. Connally express any surprise at Dr. Mehren's behavior?

Mr. JACOBSEN. No; he has been in politics too long for that; he did not express any surprise.

Mr. WEITZ. Beside Texas politics, did he discuss possible contributions for the dairy people?

Mr. JACOBSEN. No.

Mr. WEITZ. Did he discuss their possible support or lack of support for the Presidential campaign?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did he discuss with you the antitrust suit?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did he call Mr. Mitchell in your presence?

Mr. JACOBSEN. Not while I was there.

Mr. WEITZ. You do not recall right after that meeting—sometime that afternoon—meeting with Mr. Kalmbach?

Mr. JACOBSEN. No; I really do not, Mr. Weitz. I would like to—I would very much like to please you by saying yes, but I do not recall it.

Mr. DASH. Do not please us; tell us your best recollection.

Mr. McNELIS. But you do remember meeting Kalmbach in the Madison Hotel?

Mr. JACOBSEN. Yes; I do remember that.

Mr. McNELIS. There is no question that that meeting occurred?

Mr. JACOBSEN. No question.

Mr. McNELIS. And the hotel's record will reflect when all of you were there, and then is when it was?

Mr. JACOBSEN. Probably, yes.

Mr. WEITZ. Do you know whether Mr. Connally did anything as a result of that meeting, or as a result of that information to assist the dairy people in their problems with the administration?

Mr. JACOBSEN. No; I do not.

Mr. WEITZ. Did Dr. Mehren ever ask you about that or even ask to see Mr. Connally again?

Mr. JACOBSEN. No; he never did.

Mr. WEITZ. You said you were aware of the antitrust suit before the time of this particular meeting with Mr. Connally. What did you know about the antitrust suit?

Mr. JACOBSEN. That it had been filed, that AMPI thought it was a horrible thing.

Mr. WEITZ. What else did you know about it?

Mr. JACOBSEN. That is all.

Mr. WEITZ. Did they ask you to assist them in any way?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know who they retained to assist them with respect to the litigation or with respect to any matters in connection with the antitrust suit?

Mr. JACOBSEN. A law firm out of Chicago.

Mr. WEITZ. Do you know whether Reeves and Harrison had played any role in connection with the antitrust suit?

Mr. JACOBSEN. I do not know.

Mr. WEITZ. Did you talk with Marion Harrison about the problem?

Mr. JACOBSEN. No, I did not.

Mr. WEITZ. Did you talk with Murray Chotiner about the problem?

Mr. JACOBSEN. I do not know Murray Chotiner.

Mr. WEITZ. I have here a letter dated February 25, 1972, from Marion Harrison to George Mehren, with a copy to Stuart Russell, and the subject heading United States versus AMPI. And the first paragraph reads:

DEAR GEORGE: In view of the changing of the guard, apart from Jake's reasoning, I decided with Murray's concurrence not to talk with the incumbent but to take the matter up anew with his successor.

And the letter goes on to discuss a meeting between Murray and John, and it goes on to discuss a confirmation vote no earlier than February 29.

Were you commonly referred to by people who knew you as Jake?

Mr. JACOBSEN. Yes, I was.

Mr. WEITZ. Do you have any idea whether this reference was to your reasoning?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. Did you have any reasoning that you imparted to Dr. Mehren about the antitrust suit?

Mr. JACOBSEN. No, I did not.

Mr. WEITZ. Did you discuss the antitrust suit with Dr. Mehren?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. And did you have a theory as to why it should be filed, which you imparted to Dr. Mehren?

Mr. JACOBSEN. No, I did not have any theory as to why it had been filed, other than the fact that they had probably violated the antitrust law.

Mr. WEITZ. Did you have a theory as to who they should approach in the Department of Justice in terms of the Attorney General or the Assistant Attorney General for the Antitrust Division?

Mr. JACOBSEN. No.

Mr. WEITZ. Were you ever asked?

Mr. JACOBSEN. No, I do not think so. I did not know anybody in the Justice Department.

Mr. WEITZ. Were you aware that at this time in February 1972, that Mr. Mitchell had just stepped down as Attorney General?

Mr. JACOBSEN. I suppose I was. I read it in the paper.

Mr. WEITZ. Were you aware that Mr. McLaren had also just recently left to become a judge in Chicago?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And were you also aware that Mr. Kliendienst had been nominated as Attorney General and that his confirmation hearings had just been completed—or the confirmation process was in process?

Mr. JACOBSEN. I guess I read that in the paper.

Mr. WEITZ. And you were neither asked nor expressed any views on who AMPI should confer with at the Justice Department?

Mr. JACOBSEN. I do not believe so.

Mr. WEITZ. And you did not suggest that perhaps they should seek help from Mr. Connally with regard to the antitrust suit?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you make any suggestions whatsoever to Dr. Mehren with regard to the antitrust suit, or to Dr. Mehren's attorneys?

Mr. JACOBSEN. Not that I recall, Mr. Weitz.

Mr. WEITZ. In what connection did you discuss the antitrust suit with them?

Mr. JACOBSEN. Just generally, that it had been filed, and it was so bad, and it was costing them so much money, and they were hoping that they could get rid of it.

Mr. WEITZ. In what connection did you discuss the antitrust suit among AMPI's lawyers?

Mr. JACOBSEN. None.

Mr. WEITZ. Just Dr. Mehren?

Mr. JACOBSEN. Just Dr. Mehren.

Mr. WEITZ. And did you discuss it with Mr. Nelson?

Mr. JACOBSEN. I am sure I did.

Mr. WEITZ. And did you discuss it with Stuart Russell?

Mr. JACOBSEN. No. I do not know Stuart Russell.

Mr. WEITZ. Or with any of their Chicago attorneys that you said they retained?

Mr. JACOBSEN. No.

Mr. WEITZ. Or with Marion Harrison or with Chotiner?

Mr. JACOBSEN. They know who it is.

Mr. WEITZ. Do you know a Richard Grossman?

Mr. JACOBSEN. No.

Mr. WEITZ. Or Edwin Heininger?

Mr. JACOBSEN. I have met Mr. Heininger.

Mr. WEITZ. Is Heininger a member of the Chicago law firm that they retained for the antitrust litigation?

Mr. JACOBSEN. Yes.

Mr. WEITZ. You have no idea what the reference to Jake's reasoning is about?

Mr. JACOBSEN. I really do not.

Mr. DORSEN. Were you advocating making political contributions at this time?

Mr. JACOBSEN. What date?

Mr. WEITZ. The date of the particular letter is February 25, 1972.

Mr. JACOBSEN. Yes, I was advocating it.

Mr. DORSEN. Is it possible that the reference to Jake's reasoning has something to do with political contributions?

Mr. JACOBSEN. I do not know.

Mr. WEITZ. Did you ever suggest that contributions to the President's reelection could assist in alleviating or helping to soften whatever reasons they had with the administration, including the antitrust suit?

Mr. JACOBSEN. Say that again.

Mr. WEITZ. Did you ever suggest that by making contributions in 1972 to the President's reelection effort that AMPT's position with regard to any problems he had with the administration would be helped?

Mr. JACOBSEN. I always took the position that it could not be hurt.

Mr. WEITZ. And that they could be helped?

Mr. JACOBSEN. Maybe.

Mr. WEITZ. And did that include a reference to the antitrust suit?

Mr. JACOBSEN. Maybe.

Mr. WEITZ. Was that suggestion ever made in the context or at the same time when the antitrust was discussed whether or not you specifically referred to it?

Mr. JACOBSEN. No.

Mr. WEITZ. But you might have referred to the antitrust suit as one item which might have been helped by way of contributions?

Mr. JACOBSEN. That is right.

Mr. WEITZ. Did you ever hear from whatever source other than what you have read in the paper, whether Mr. Connally did in fact contact Mr. Mitchell about the antitrust suit?

Mr. JACOBSEN. No, I did not.

Mr. WEITZ. Do you know whether the dairy people or yourself or anyone on their behalf contacted Mr. Dole in 1972 about the antitrust suit?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. Do you know of any meeting that the dairy people held in March of 1972 or sometime in 1972 with Robert Strauss?

Mr. JACOBSEN. I think I went to one meeting with Mehren and Strauss.

Mr. WEITZ. What did they discuss?

Mr. JACOBSEN. Contributions.

Mr. WEITZ. Any particular contribution in mind?

Mr. JACOBSEN. I think Strauss was trying to get them to contribute to the program at the Democratic Convention.

Mr. WEITZ. Do you recall whether that took place at the same series of days and meetings at which the meeting with Connally took place?

Mr. JACOBSEN. I do not recall that.

Mr. WEITZ. Who else was present, just Dr. Mehren, yourself and Mr. Strauss, or anyone else?

Mr. JACOBSEN. Mr. Nelson, I think.

Mr. WEITZ. Did you arrange that meeting?

Mr. JACOBSEN. Yes, I think I did. I think Strauss wanted me to arrange it.

Mr. WEITZ. And he contacted you?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And you have known Mr. Strauss for a long time?

Mr. JACOBSEN. Yes, many years.

Mr. WEITZ. And did you advise AMPI to make contributions as Mr. Strauss suggested?

Mr. JACOBSEN. Yes, I did.

Mr. WEITZ. Would that way of thinking have a detrimental effect on their antitrust suit, since it would have been to the Democratic Party?

Mr. JACOBSEN. I do not think it would have made any difference.

Mr. WEITZ. Did not Mr. Strauss indicate that this would be a joint contribution to both the Republican and the Democratic National Conventions?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So in fact, it was part of the contributions to both the Republican and the Democrats?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. Were there any other meetings that you recall or know about between the dairy people and Mr. Connally in 1972 with regard to AMPI?

Mr. JACOBSEN. No.

Mr. WEITZ. Did there come a time in 1972 when you were contacted by the dairy people or you contacted them in connection with a large contribution just before April 7 to 30 State committees to the Republican Party?

Mr. JACOBSEN. Not me; no, sir.

Mr. WEITZ. You know of no such contribution?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. And you recall no contacts between Nelson and yourself in 1972 concerning the need to reach Mr. Kalmbach concerning contributions to 30 State committees of the Republican Party?

Mr. JACOBSEN. No, sir, I do not recall that.

Mr. WEITZ. Other than the meetings you have told us about between the dairy people and Kalmbach in 1972, did you know of any other contacts between Mr. Kalmbach and the dairy people either direct or indirect in 1972?

Mr. JACOBSEN. No, sir—what do you mean by indirect?

Mr. WEITZ. Through others.

Mr. McNELIS. Hearsay, or rumors?

Mr. JACOBSEN. No.

Mr. WEITZ. No others?

Mr. JACOBSEN. I might have met with Mr. Kalmbach in the Madison several times, ran into him at the Madison.

Mr. WEITZ. But at no time do you recall either hearing of or, in fact, asking the dairy people to make out 30 checks or numerous checks for contributions totaling either \$150,000 or \$300,000 just prior to April 7, 1972?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Do you know the firm of Wagner & Baroody?

Mr. JACOBSEN. Mr. Dobrovir asked me about that, too. I think I met a Mr. Baroody through the Democrats for Nixon. He came around once or twice and I met a Mr. Baroody.

Mr. WEITZ. Do you know of any connection between Wagner & Baroody and AMPI?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. Do you know that they were retained by AMPI?

Mr. JACOBSEN. No, I did not know.

Mr. WEITZ. Do you know of any connection between Charles Colson and Wagner & Baroody?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know George Webster?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know of any contributions that the dairy people, including AMPI or TAPE, made to any committees established for Mr. Colson?

Mr. JACOBSEN. No. I do not.

Mr. WEITZ. Republican committees established for Mr. Colson?

Mr. JACOBSEN. No, I do not, Mr. Weitz.

Mr. WEITZ. Do you know of any contributions the dairy people made at the suggestion or request of Mr. Colson?

Mr. JACOBSEN. No, I do not. Are you referring to the same thing Mr. Dobrovir referred to? He went through this long explanation about the money borrowed from Baroody and money going—

Mr. WEITZ. Do you have any knowledge of any in that regard?

Mr. JACOBSEN. No.

Mr. WEITZ. You mentioned the IRS investigation and the retention of Marvin Collie by AMPI?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And you discussed this with Mr. Connally sometime in 1972?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And what did you ask him about it?

Mr. JACOBSEN. I asked him if it would be all right if we approached Mr. Collie.

Mr. WEITZ. Why did you ask Mr. Connally?

Mr. JACOBSEN. Because Mr. Connally was Secretary of the Treasury and has the IRS under his jurisdiction, and I did not want to be meddling in his law firm if he did not want me to.

Mr. WEITZ. Did the law firm of Vinson Elkins do other work for AMPI?

Mr. JACOBSEN. No.

Mr. WEITZ. Was this to your knowledge, the only instance in which they were retained by AMPI?

Mr. JACOBSEN. I think it was the first instance. I think they were retained in the antitrust suit too, to some extent now.

Mr. WEITZ. At that time it was the first instance?

Mr. JACOBSEN. No.

Mr. WEITZ. Had Mr. Lilly or someone at AMPI asked you to retain him?

Mr. JACOBSEN. I suggested Mr. Collie. He is the best tax lawyer in Texas.

Mr. WEITZ. And who asked you for your help and advice?

Mr. JACOBSEN. Mr.—I am not sure it was Dr. Mehren or Mr. Nelson—it was Nelson.

Mr. WEITZ. Sometime in 1972?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And what did he ask you?

Mr. JACOBSEN. He asked me who they should hire to handle this tax matter.

Mr. WEITZ. Did he ask you who they should try to contact in the administration?

Mr. JACOBSEN. No.

Mr. WEITZ. Did they not think that it would be useful to contact someone in the administration—did you think it would be useful to contact someone in the administration?

Mr. JACOBSEN. I did not see how you could do it. I did not think you could contact Secretary Connally, that it would be improper. And he is the only one I know.

Mr. WEITZ. I take it Dr. Mehren discussed the antitrust suit with Mr. Connally?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And he did not think that was improper?

Mr. JACOBSEN. I thought it was.

Mr. WEITZ. You thought it was improper?

Mr. JACOBSEN. Yes.

Mr. McNELIS. If you recall his testimony, he was surprised when he brought it up.

Mr. WEITZ. As I recall his testimony, did you say that the first meeting was for get-acquainted purposes, and you thought at some later time if Dr. Mehren had any problems or wanted to meet Mr. Connally later he would do so?

Mr. JACOBSEN. Yes.

Mr. WEITZ. You were surprised or you were not surprised at the first meeting, he made some reference about a governmental official?

Mr. JACOBSEN. You are talking about the future. I do not know what might have happened in the future.

Mr. DASH. If you have an antitrust matter, the persons you usually deal with are the Government officials. And if you had a real beef, a legitimate one, would it be appropriate to talk to the highest official to get an opinion?

Mr. JACOBSEN. I thought it was inappropriate at the first meeting, but I do not think it would be otherwise.

Mr. WEITZ. Would it not be inappropriate for somebody to discuss the IRS investigation?

Mr. JACOBSEN. I think it would be inappropriate to talk about it to Secretary Connally.

Mr. WEITZ. Why?

Mr. JACOBSEN. Because he is the Secretary of the Treasury.

Mr. WEITZ. Because he is the Secretary of the Treasury?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. With responsibility to IRS?

Mr. JACOBSEN. Yes, sir.

Mr. WEITZ. Would he not be the one to talk to if you thought this was an injustice, or there was some problem in the investigation?

Mr. JACOBSEN. No; I think that would have been improper.

Mr. WEITZ. And Mr. Connally had no objection to the retention by AMPI of Mr. Collie?

Mr. JACOBSEN. No.

Mr. WEITZ. Was anything else said about the investigation?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you explain to him what was involved?

Mr. JACOBSEN. No; just the tax matter involving AMPI.

Mr. WEITZ. You did not indicate what the tax matter related to?

Mr. JACOBSEN. No, I do not think so.

Mr. WEITZ. And he did not ask you?

Mr. JACOBSEN. No.

Mr. DASH. Your role was just to introduce him. Who from AMPI would he deal with to get the facts?

Mr. JACOBSEN. I took Mr. Nelson down to Marvin Collie's office after we had this discussion with Secretary Connally.

Mr. DASH. So the role you played was just introducing him?

Mr. JACOBSEN. That is correct.

Mr. WEITZ. Mr. Nelson at this time was a consultant?

Mr. JACOBSEN. No; Mr. Nelson was still the chief, head man.

Mr. WEITZ. And this would have been before he was deposed in January 1972?

Mr. JACOBSEN. I believe that is right.

Mr. WEITZ. So you would have discussed this with Mr. Connally presumably in 1971?

Mr. JACOBSEN. Let me be—I am tired—I am not sure if Mr. Nelson had been deposed or not, I am not sure.

Mr. WEITZ. So it was either in 1971 or 1972?

Mr. JACOBSEN. 1972.

Mr. DORSEN. As I understand it, Mr. Nelson was deposed on January 13, 12 or 13, 1972. The antitrust suit was not brought until February 1, 1972.

Mr. JACOBSEN. That is correct.

Mr. DORSEN. If you discussed the antitrust suit at this meeting it must have been after Mr. Nelson was deposed.

Mr. JACOBSEN. You are right. And Mr. Nelson went with me to see Mr. Collie at Dr. Mehren's request.

Mr. WEITZ. I see. Is that because it involves some matter that came up back when Mr. Nelson was the head of AMPI?

Mr. JACOBSEN. And Mr. Nelson was a legal consultant.

Mr. McNELIS. Off the record.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

After the meeting with Mr. Collie and Mr. Nelson, were any further contacts made with Mr. Connally?

Mr. JACOBSEN. No; not that I know of, not by me.

Mr. WEITZ. How was the matter ultimately resolved, do you know?

Mr. JACOBSEN. Well, the co-ops paid a pretty sizable deficiency.

Mr. WEITZ. After the meeting with Mr. Connally and Dr. Mehren was there any contact you had in connection with the antitrust suit with the AMPI people? Did you represent them in any way, or did you talk to anyone else on their behalf?

Mr. JACOBSEN. No, sir.

Mr. WEITZ. Did there come a time in 1972 when several representatives of the other two co-ops, Mid-America, and Dairymen, Inc., met with Mr. Connally and yourself?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Could you tell us about that?

Mr. JACOBSEN. They met with—I am not sure if I was present at that meeting or not, but they met with Mr. Connally to discuss the problems of the dairy industry after the Democrats for Nixon got organized.

Mr. WEITZ. And that would have been in August?

Mr. JACOBSEN. In August.

Mr. WEITZ. And if Mr. Connally's records indicate that it was August 2, 1972, would that be consistent with your recollection?

Mr. JACOBSEN. Yes.

Mr. WEITZ. How did the meeting come about? Did they contact you?

Mr. JACOBSEN. I believe they contacted me and said they wanted to make a contribution but they wanted to talk to Secretary Connally.

Mr. WEITZ. Did they say how much they wanted to contribute?

Mr. JACOBSEN. No.

Mr. WEITZ. And these were representatives of both SPACE and ADEPT?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And do you remember who the representatives were?

Mr. JACOBSEN. It was Gary Hanman and his general manager, whose name—

Mr. WEITZ. Gene Baldi.

Mr. JACOBSEN. Gene Baldi. And Joe Westwater, and Ben Morgan.

Mr. WEITZ. Of Dairymen, Inc.?

Mr. JACOBSEN. Of Dairymen, Inc.

Mr. WEITZ. Can you place this in time—this meeting took place where, in Washington?

Mr. JACOBSEN. In Washington, in the Madison Hotel.

Mr. WEITZ. Can you place this meeting in time with reference to the meeting that Mr. Westwater, Morgan, and you had with Mr. Kalmbach in 1972? Was it no more than a month or two apart?

Mr. JACOBSEN. I do not recall.

Mr. WEITZ. But you place the other meetings sometime in the middle of 1972?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And this meeting has been placed at August 2, 1972. So it was sometime within a few months apart at the moment. Did one meeting have any relation to the other?

Mr. JACOBSEN. No.

Mr. WEITZ. For example, after the meeting with Mr. Kalmbach, did you suggest that they might be interested in meeting with Mr. Connally?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you initiate the contact, or did they initiate the contact?

Mr. JACOBSEN. I think they initiated the contact.

Mr. WEITZ. Why did they contact you?

Mr. JACOBSEN. Because they knew me.

Mr. WEITZ. Were you retained by them at that point?

Mr. JACOBSEN. No.

Mr. WEITZ. They indicated they wanted to make some contribution to Democrats for Nixon?

Mr. JACOBSEN. Correct.

Mr. WEITZ. And did they also indicate that they wanted to make or were going to make some contributions to the Committee To Re-Elect?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And did they indicate how much they wanted to contribute?

Mr. JACOBSEN. They did not.

Mr. WEITZ. Before the meeting?

Mr. JACOBSEN. No.

Mr. WEITZ. Did they indicate that they wanted to tell Mr. Connally of their interest in making contributions?

Mr. JACOBSEN. No; I do not think they did.

Mr. WEITZ. Did Mr. Hanman come in from Missouri for the meeting?

Mr. JACOBSEN. I guess so.

Mr. McNELIS. Do you know how he got here?

Mr. JACOBSEN. No; I do not know. I have no idea.

Mr. WEITZ. Did Mr. Morgan and Mr. Westwater come in from Louisville for the meeting?

Mr. JACOBSEN. I guess they did.

Mr. McNELIS. Again, do you know where they came from when they were here?

Mr. JACOBSEN. No.

Mr. DASH. I guess in order to have the meeting—none of these men are residents or do business in Washington—they would all have to come to Washington?

Mr. JACOBSEN. That is right.

Mr. DASH. And they came to Washington just for this meeting.

Mr. JACOBSEN. That is true.

Mr. WEITZ. What took place at the meeting?

Mr. JACOBSEN. With Secretary Connally?

Mr. WEITZ. Yes.

Mr. JACOBSEN. I do not think I was present at the meeting.

Mr. WEITZ. Did you usher them in and then leave?

Mr. JACOBSEN. Yes; I think so.

Mr. WEITZ. Did you normally sit in on meetings that you had arranged with people that you knew and that Mr. Connally did not know?

Mr. JACOBSEN. Not necessarily.

Mr. WEITZ. You introduced them, and so forth. You have no recollection, then—your recollection is that you did not attend the meeting?

Mr. JACOBSEN. My recollection is that I did not attend the meeting. I do not know what Secretary Connally's records show.

Mr. McNELIS. Right now your recollection is that you did not attend this meeting.

Mr. WEITZ. Did you talk with Mr. Connally and these gentlemen about the purpose of the meeting before or after the meeting?

Mr. JACOBSEN. I am sure I did.

Mr. WEITZ. Did you tell them that the purpose of the meeting was for them to discuss their problems with Secretary Connally? Did they indicate that is what they wanted to discuss with the Secretary?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And did they also indicate they wanted to discuss possible contributions with the Secretary?

Mr. JACOBSEN. They did not indicate that to me.

Mr. WEITZ. But they did indicate that they wanted to make contributions?

Mr. JACOBSEN. Yes. They may have talked to Secretary Connally about it, I do not know.

Mr. WEITZ. Did you talk with Secretary Connally about this after the meeting?

Mr. JACOBSEN. Yes.

Mr. WEITZ. About the meeting after it took place?

Mr. JACOBSEN. No, I do not think I did.

Mr. WEITZ. He did not tell you what took place?

Mr. JACOBSEN. He said they presented a lot of problems, and he asked me to put it in letter form.

Mr. WEITZ. Did he indicate that he discussed contributions with them?

Mr. JACOBSEN. No, he did not.

Mr. WEITZ. Did you talk with the other gentlemen after the meeting?

Mr. JACOBSEN. Yes, I did, sometime after the meeting.

Mr. WEITZ. Did you talk with them immediately after the meeting?

Mr. JACOBSEN. I do not think so.

Mr. WEITZ. At some later time when they discussed the meeting with you, what did they tell you?

Mr. JACOBSEN. They told me they were going to write Secretary Connally a letter about the problems.

Mr. WEITZ. Did they just mention contributions to Democrats for Nixon with you?

Mr. JACOBSEN. I do not know.

Mr. DASH. I think you started to say earlier that at some time you did find out what, in fact, they had in mind as to the amount?

Mr. JACOBSEN. Yes; they finally made the contributions.

Mr. DASH. When did you learn about that?

Mr. JACOBSEN. They came to me.

Mr. WEITZ. Both groups?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Do you recall when they did so?

Mr. JACOBSEN. No.

Mr. WEITZ. If the records of SPACE indicate that on the day of the meeting with Mr. Connally a check for \$25,000 was drawn to Democrats for Nixon, and a receipt given, does that refresh your recollection?

Mr. JACOBSEN. Yes. They came to me after the meeting and gave me the contribution.

Mr. WEITZ. And was that also the time when they discussed the meeting with you?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So it is the day of the meeting?

Mr. JACOBSEN. Yes.

Mr. WEITZ. After the meeting.

Mr. JACOBSEN. Yes. And then ADEPT did it later.

Mr. WEITZ. But did they talk to you about it at that time, even though they contributed sometime later?

Mr. JACOBSEN. I think they did later.

Mr. WEITZ. What do you know about the other contributions? Do you recall how much ADEPT gave?

Mr. JACOBSEN. \$25,000.

Mr. WEITZ. And was it all turned over to the National Committee for Nixon?

Mr. JACOBSEN. No; it was given to different State committees.

Mr. WEITZ. How was that decision made?

Mr. JACOBSEN. It was made based on the needs of the State committees.

Mr. WEITZ. And how was that need communicated to ADEPT?

Mr. JACOBSEN. Through me.

Mr. WEITZ. And you talked with the officials, Leonard Marx?

Mr. JACOBSEN. Yes.

Mr. WEITZ. You talked with Leonard Marx when he was treasurer for Democrats for Nixon?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And he told you where the \$25,000 should best be placed?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And you told that to ADEPT?

Mr. JACOBSEN. Correct.

Mr. WEITZ. Did you communicate any information with respect to either of those two contributions, the fact that they had been made, or the amounts, to Mr. Connally?

Mr. JACOBSEN. Oh, yes.

Mr. WEITZ. So you would have told them that each organization contributed \$25,000?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you tell him as to which committees, and so forth?

Mr. JACOBSEN. Yes.

Mr. WEITZ. But you did tell them \$25,000 each?

Mr. JACOBSEN. I think I did, yes.

Mr. McNELIS. Do I understand you now to say you think you told—

Mr. JACOBSEN. I think I told Secretary Connally that they each contributed \$25,000, but I am not sure.

Mr. WEITZ. Because in fact, that is what they contributed?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And the only reason that ADEPT contributed to the various committees was that was where the money was needed?

Mr. JACOBSEN. Correct.

Mr. DASH. And you told them that?

Mr. JACOBSEN. Correct.

Mr. WEITZ. Do you know whether SPACE and ADEPT contributed to the Committee To Re-Elect or the Finance Committee To Re-Elect?

Mr. JACOBSEN. I have heard that they did.

Mr. WEITZ. You have no personal knowledge of that?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you ever discuss with Lee Nunn during any time in 1972, possible contributions or solicitations of contributions from the dairy people?

Mr. JACOBSEN. Yes, I think I did.

Mr. WEITZ. Could you tell us anything about those conversations?

Mr. JACOBSEN. Just that I thought they wanted to make a contribution, and that he ought to get in touch with them.

Mr. WEITZ. How did you know that?

Mr. JACOBSEN. Well, they must have indicated to me that they wanted to make a contribution to the Democrats for Nixon, and also to the Committee To Re-Elect.

Mr. WEITZ. And that would have been SPACE and ADEPT?

Mr. JACOBSEN. Yes.

Mr. WEITZ. So you communicated that to Lee Nunn?

Mr. JACOBSEN. Yes.

Mr. WEITZ. And did they communicate that to Mr. Kalmbach?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you understand that Mr. Nunn had replaced Mr. Kalmbach as a fundraiser?

Mr. JACOBSEN. No, I did not know that. I had gotten to know Lee Nunn through Democrats for Nixon.

Mr. WEITZ. Was he coordinating their solicitation effort with Democrats for Nixon?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Is there any reason that you know of that SPACE and ADEPT gave contributions to each of the two as opposed to just Democrats for Nixon or just the finance committee?

Mr. JACOBSEN. I do not know.

Mr. WEITZ. Was it ever suggested to them that it would be advisable to split their contribution between the two options?

Mr. JACOBSEN. I do not know.

Mr. WEITZ. You never gave them such advice?

Mr. JACOBSEN. No.

Mr. WEITZ. Did Lee Nunn ever discuss with you or you with him, the amount of money that the finance committee expected from the dairy people?

Mr. JACOBSEN. No.

Mr. WEITZ. Did you ever discuss with him, or he with you, the amounts that were still forthcoming as a result of the 1971 price support decision?

Mr. JACOBSEN. No, I do not think so.

Mr. WEITZ. Did he ever mention the price-support decision with you?

Mr. JACOBSEN. No, I do not believe he did.

Mr. WEITZ. Did he ever mention the antitrust suit?

Mr. JACOBSEN. No, I do not believe so.

Mr. WEITZ. Were you aware of any conversations that Dr. Mehren had with Lee Nunn in 1972?

Mr. JACOBSEN. It seems to me that Lee Nunn called me to get Dr. Mehren's phone number. And that is about all I know, that he was evidently going to call Dr. Mehren.

Mr. McNELIS. Did you have the number?

Mr. JACOBSEN. Yes.

Mr. McNELIS. Did you give it to him?

Mr. JACOBSEN. Yes.

Mr. WEITZ. Did you talk to Dr. Mehren about this?

Mr. JACOBSEN. No.

Mr. WEITZ. You never talked to Dr. Mehren about a conversation or a possible meeting between he and Lee Nunn?

Mr. JACOBSEN. I do not think I did.

Mr. WEITZ. Do you know whether Dr. Mehren ever consulted with President Johnson in 1972 concerning contributions to the President's reelection?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. Did Dr. Mehren ever discuss with you other than meetings that you had with Mr. Kalmbach and Dr. Mehren in 1972, any meetings he had with any Republican fundraisers?

Mr. JACOBSEN. No.

Mr. WEITZ. Do you know whether TAPE contributed or the Committee for TAPE contributed any moneys to the President's reelection in 1972?

Mr. JACOBSEN. No, I do not.

Mr. WEITZ. Did Mr. Nunn ever discuss with you the possibility of obtaining moneys from TAPE for the President's reelection campaign through contributions to any senatorial or congressional campaign committees?

Mr. JACOBSEN. No, he did not.

Mr. WEITZ. Do you know whether any such contributions were made to the President's reelection campaign in such a manner?

Mr. JACOBSEN. No, I do not.

Mr. DORSEN. Do you know whether TAPE or the Committee for TAPE contributed to the Republican congressional or senatorial campaigns in 1972, made contributions to the Republican congressional or senatorial campaign committees?

Mr. JACOBSEN. No, I do not.

Mr. DORSEN. Did you ever discuss contributions by the dairy industry with Maurice Stans?

Mr. JACOBSEN. I met with Mr. Stans, but I do not recall discussing dairy industry contributions with him.

Mr. DORSEN. You say you met with Mr. Stans. Do you know Mr. Stans?

Mr. JACOBSEN. Yes.

Mr. DORSEN. How long have you known him?

Mr. JACOBSEN. Since the campaign.

Mr. DORSEN. And you met him in connection with the campaign?

Mr. JACOBSEN. Yes.

Mr. DORSEN. And how many meetings did you have with him?

Mr. JACOBSEN. Maybe three or four.

Mr. DORSEN. And did they deal with fundraising?

Mr. JACOBSEN. Yes. They dealt not with fundraising so much as with the financial problems of the Democrats for Nixon.

Mr. DORSEN. And do you recall whether the dairy industry's role in the campaign came up with Mr. Stans?

Mr. JACOBSEN. I do not believe so.

Mr. DORSEN. Do you know whether any representatives of the dairy industry ever met with Maurice Stans?

Mr. JACOBSEN. No, I do not.

Mr. DORSEN. Did you ever discuss the dairy industry's role in the campaign with John Mitchell?

Mr. JACOBSEN. No. I do not know Mr. Mitchell.

Mr. DORSEN. You never met Mr. Mitchell?

Mr. JACOBSEN. No.

Mr. DORSEN. Do you know whether any meetings were held between Mr. Mitchell and representatives of the dairy industry?

Mr. JACOBSEN. No, I do not.

Mr. DASH. When you say that you "do not know" to some of these questions like whether Mr. Stans and any member of the dairy industry discussed contributions, or whether the dairy industry gave any particular contributions to the campaign, or whether Mr. Mitchell had any discussions with the dairy industry, would it be likely that you would know?

Mr. JACOBSEN. No, not likely.

Mr. DASH. Are you the person who would be in touch with this kind of information?

Mr. JACOBSEN. No. I believe it would be the Republican law firm, Reeves & Harrison.

Mr. McNELIS. You never talked to Mitchell even on the telephone?

Mr. JACOBSEN. No.

Mr. DORSEN. Do you have any other information concerning campaign contributions that were in fact made or solicited in connection with the 1972 Presidential campaigns that you have not testified about here today?

Mr. JACOBSEN. No, sir.

Mr. McNELIS. I would recognize that at this hour of the day, put it to him that way—

Mr. DORSEN. In case he was waiting for a question which was not asked, I thought—

Mr. McNELIS. I would understand his answer to reflect, not at this time.

Mr. DORSEN. Realizing that the hour of the day and the amount of time that has been spent, as well as the opportunities that Mr. Jacobsen has had, happily or unhappily, to think about this problem, I will put it in that context, I still would ask him whether he has any additional information.

Mr. McNELIS. You are talking about at this time—and frankly, we can leave it this way—that he feels free to call me or you people and advise you if he has anything to add. Is that right Mr. Jacobsen?

Mr. JACOBSEN. Yes. What was the question?

Mr. DORSEN. Any additional information concerning campaign solicitation or contributions by the dairy industry to the 1972 reelection effort of President Nixon.

Mr. JACOBSEN. I do not know of any.

Mr. DORSEN. I would be happy to leave it on that basis.

Mr. McNELIS. Surely.

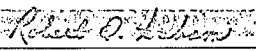
Mr. WEITZ. I have no other questions.

Mr. DORSEN. I have no others.

Mr. WEITZ. Thank you, Mr. Jacobsen.

[Whereupon, at 4:40 p.m., the hearing was concluded.]

JACOBSEN EXHIBIT No. 1

ASSOCIATED MILK PRODUCERS, INC.		N ^o 2460 /	30.2 1140
PHONE A/C 512 344-1392 TELEX 76-7446 P. O. BOX 32287 SAN ANTONIO, TEXAS 78216			
		September 18,	19 70
PAY <u>RESISTANCE 120134437ots</u>		\$ 12,013.37	
TO THE ORDER OF		ASSOCIATED MILK PRODUCERS, INC.	
<ul style="list-style-type: none"> • JACOBSEN & LONG WESTGATE P. O. BOX 222 AUSTIN, TEXAS 78767 			
THE ALAMO NATIONAL BANK OF SAN ANTONIO, TEXAS			

REMITTANCE STATEMENT--DETACH THIS STATEMENT BEFORE DEPOSITING CHECK

ASSOCIATED MILK PRODUCERS, INC.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	AMOUNT OF INVOICE	DEDUCTIONS	NET AMOUNT
9/11/70		Legal Fees		6-08-16-01	9,500.00
		Legal Expenses		6-08-16-02	2,513.37

6480

JACOBSEN & LONG

WESTGATE
P.O. BOX 222
AUSTIN, TEXAS 78767
512-472-1131

SEMER, WHITE & JACOBSEN
1156 FIFTEENTH ST., N.W.
WASHINGTON, D. C. 20005
202-659-2900

September 11, 1970

Associated Milk Producers, Inc.
Post Office Box 32287
San Antonio, Texas 78216

Attention Mr. Bob Lilly

For professional services rendered as part of retainer for month of August, 1970 . .	\$2, 500.00
Expenses	973.35
For professional services rendered on behalf of Mid-America Milk Producers Association	5, 000.00
Expenses	992.72
For professional services rendered on behalf of Dairymen, Inc.	2, 000.00
Expenses	<u>547.30</u>
Total	\$12, 013.37

Thank you.

eqb

CHARGE ACCOUNT NO.	BY	DATE
APPROVED FOR PAYMENT		
CHECKED FIGURES	<u>RF</u>	<u>9-18-70</u>
PAID - CHECK NO.	<u>2460</u>	<u>1</u>

JAKE JACOBSEN

JOE R. LONG

GARY EVATT, ASSOCIATE

JACOBSEN EXHIBIT NO. 2

LOAN APPLICATION

To be filed with Credit Department

NAME Bob A. Lilly DATE 12-17-69

ADDRESS 1011 N. W. Military Road, San Antonio, Texas LAST RATE _____ %

BUSINESS Assistant General Manager,
Milk Producers, Inc. PAYING RECORD _____

AMOUNT OF ~~LOAN~~ LOAN ~~XXXXXXXX~~ \$ 100,000.00 PAYABLE 60 Days

PRESENT DEBT DIRECT—Sec'd _____ \$ DATE OF LAST STATEMENT 8-25-69

PRESENT DEBT DIRECT—Unsec'd _____ \$ OUT OF OUR DEBT SINCE _____

LESS AMT. PARTICIPATED _____ \$ PRESENT DEBT INDIRECT _____ \$

TOTAL—COM'L DEPT. _____ \$ 100,000.00 DEPOSIT TO LOAN RATIO _____ %

INSTALLMENT LOAN DEPT. _____ \$ _____ % (SEE REVERSE)

PURPOSE AND COLLATERAL:

- * Secured by Citizens National Bank Certificate of Deposit No. 188 in the amount of \$100,000.00 in the name of Milk Producers, Inc.

SOURCE OF REPAYMENT:

DETAIL OF OTHER
NOTES IN BANK: AMOUNT MATURITY RATE COLLATERAL

SPECIAL COMMENTS:

- * Replaced by CD #219 of T. A. P. E. 12-22-69
KWO

Marvin N. Stetler

LOANING OFFICER

Declined by the undersigned.

With the exceptions noted above, this application is approved by
the undersigned. RATE 8 1/2 %

CITIZENS NAT'L ACCTS.

NAME	ACCT. #	LAST MO.	3 MO.	MIN.	CURRENT
T. A. P. E.	61-101-8	\$146,133.00	\$ 80,437.00	\$135,432.30	\$192,717.92
AMPI	10-089-7	\$100,000.00	\$ ----	\$100,000.00	\$100,000.00
		\$	\$	\$	\$
Milk Producers CD 188		\$	\$	\$	\$100,000.00
T. A. P. E. CD 219		\$	\$	\$	\$100,000.00
		\$	\$	\$	\$
Totals		246,133.00	80,437.00	235,432.30	492,717.92

JACOBSEN EXHIBIT NO. 4

December 17, 1969

Associated Milk Producers, Inc.
1011 N. W. Military Highway
San Antonio, Texas

Attention Mr. Bob Lilly

For professional services rendered in
connection with Cause No. 68-H-930
Marketing Assistance Plan, Inc., et al
v. South Texas Producers Association,
et al.

\$10,000.00

Thank you.


eqb

Paid
12-17-69

C
O
P
Y

JACOBSEN EXHIBIT NO. 5

DEPOSITED WITH



CITIZENS NATIONAL BANK
OF AUSTIN AUSTIN, TEXAS

FOR THE ACCOUNT OF

JACOBSEN AND LONG
P. O. Box 222 • 472-1131
Austin, Texas 78767

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE TERMS AND CONDITIONS OF THIS BANK'S COLLECTION AGREEMENT.

DATE December 17 19 69
PLEASE LIST EACH ITEM SEPARATELY

ITEM	DOLLARS	CENTS
CURRENCY		
CDIN 222		
CHECKS		
#921	10,000	00
TOTAL DEPOSIT ▶	10,000	00

STECK AUSTIN FORM 490C

CITIZENS NATIONAL BANK, F.R.G.

CITIZENS NATIONAL
BANK OF AUSTIN
AUSTIN, TEXAS

00 2267

00 2267

01369 001 4081

JACOBSEN EXHIBIT No. 9

Jake Jacobsen

WILLIAMSON COUNTY
NATIONAL BANK
AUSTIN, TEXAS
FEB 27 1970

FEB-27 000 3716

CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1537
February 2, 1970		
PAY TO THE ORDER OF	JAKE JACOBSEN	\$ 3,000.00
Three Thousand and no/100--		DOLLARS
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT		
JACOBSEN AND LONG		
<i>Conita S. Bulkley</i>		
⑆1141⑆2367⑆35⑆253 B⑆		⑈0000300000⑈

JACOBSEN EXHIBIT No. 10

Joe R. Long

WILLIAMSON COUNTY
NATIONAL BANK
AUSTIN, TEXAS
FEB 27 1970

FEB-27 000 3716

CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1538
February 2, 1970		
PAY TO THE ORDER OF	JOE R. LONG	\$ 2,000.00
Two Thousand and no/100--		DOLLARS
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT		
JACOBSEN AND LONG		
<i>Conita S. Bulkley</i>		
⑆1141⑆2367⑆35⑆253 B⑆		⑈0000200000⑈

JACOBSEN EXHIBIT No. 11

WILLIAMSON COUNTY
NATIONAL BANK
AUSTIN, TEXAS
FEB 24 1970


FEB 24 70 010 9261

CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1569
February 23, 1970		
PAY TO THE ORDER OF	JAKE JACOBSEN	\$ 20,000.00
Twenty Thousand and no/100--		DOLLARS
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT		
JACOBSEN AND LONG		
<i>Conita S. Bulkley</i>		
⑆1141⑆2367⑆35⑆253 B⑆		⑈77⑈0002000000⑈

JACOBSEN EXHIBIT No. 12

NO PROTEST—PAY THROUGH ANY
BANK, BANKER, OR TR. CO., ETC.,
THE CAPITAL NATIONAL BANK
OF AUSTIN, TEXAS
SELLER NO. 33

2-270 023 2153


 CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1577																																				
March 2 1970																																						
PAY TO THE ORDER OF	JAKE JACOBSEN	\$4,000.00																																				
Four Thousand and no/100-----		DOLLARS																																				
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT																																						
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⑆11111⑆2367⑆36⑆2638⑆		⑈0000100000⑈																																				

JACOBSEN EXHIBIT No. 13

22 ON BETHELL
ST. AUSTIN
MAY 1970
CAPITAL NATIONAL BANK
OF AUSTIN, TEXAS
SELLER NO. 33

NO PROTEST—PAY THROUGH ANY
BANK, BANKER, OR TR. CO., ETC.,
THE CAPITAL NATIONAL BANK
OF AUSTIN, TEXAS
SELLER NO. 33


2-270 013 8223

 CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1811																																				
July 14 1970																																						
PAY TO THE ORDER OF	JAKE JACOBSEN	\$10,000.00																																				
Ten Thousand and no/100-----		DOLLARS																																				
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT																																						
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⑆11111⑆2367⑆36⑆2638⑆		⑈0000100000⑈																																				

JACOBSEN EXHIBIT No. 14

NO PROTEST—PAY THROUGH ANY
BANK, BANKER, OR TR. CO., ETC.,
THE CAPITAL NATIONAL BANK
OF AUSTIN, TEXAS
SELLER NO. 33

2-270 013 8137

 CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1836																																				
July 24 1970																																						
PAY TO THE ORDER OF	JAKE JACOBSEN	\$5,750.00																																				
Five Thousand Seven Hundred Fifty and no/100-----		DOLLARS																																				
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT																																						
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⑆11111⑆2367⑆36⑆2638⑆		⑈0000615000⑈																																				

JACOBSEN EXHIBIT No. 15

Joe R Long

100-347166
 100-347166
 100-347166
 100-347166
 100-347166

100-347166

CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1835
July 24 1970		
PAY TO THE ORDER OF	JOE R. LONG	\$ 4,250.00
Four Thousand Two Hundred Fifty and no/100		DOLLARS
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT		
AUG 7 1970		
JACOBSEN AND LONG		
4250.00-3		
100-347166 35-253 B		0000425000

JACOBSEN EXHIBIT No. 16

100-347166
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CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1920
September 9 1970		
PAY TO THE ORDER OF	JAKE JACOBSEN	\$ 5,750.00
Five Thousand Seven Hundred Fifty and no/100		DOLLARS
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT		
SEP 10 1970		
JACOBSEN AND LONG		
5750.00-3		
100-347166 35-253 B		0000575000

JACOBSEN EXHIBIT No. 17

CITIZENS NATIONAL BANK OF AUSTIN AUSTIN, TEXAS		1951
S October 5 1970		
PAY TO THE ORDER OF	JOE R. LONG	\$ 5,000.00
Five Thousand and no/100		DOLLARS
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT		
OCT 10 1970		
JACOBSEN AND LONG		
5000.00-3		
100-347166 35-253 B		0000500000

JACOBSEN EXHIBIT NO. 18

No. Identification

11/2/73

by

D 11430676 A	Nov 1969	H 25-20577 A	Nov 1969
K 15613356 A	" 1969	L 16022570 A	" 1969
J 11577303 A	" 1969	D 45734693 A	" 1969
L 57131305 A	" 1969	G 60249837 A	" 1969
E 43751567 A	" 1969	G 57593319 A	" 1969
B 18362009 A	" 1969	E 25893108 A	" 1969
H 24113376 A	" 1969	J 07868405 A	" 1969
B 83683045 A	" 1969	L 25541438 A	" 1969
L 58788103 A	" 1969	L 16069726 A	" 1969
E 74418130 A	" 1969	L 22120127 B	" 1969
E 11661373 A	" 1969	L 40411550 B	" 1969
L 07034767 *	" 1969	F 51428851 A	" 1969
K 11335037 A	" 1969	D 41614480 A	" 1969
J 01504770 A	" 1969	L 19017527 A	" 1969
L 01157033 *	" 1969	B 65084428 A	" 1969
K 06251305 A	" 1969	E 95484459 A	" 1969
A 50637026 A	" 1969	A 23202504 A	" 1969
G 41259433 B	" 1969	G 50012844 B	" 1969
E 03242746 B	" 1969	G 12423695 B	" 1969
L 16909715 A	" 1969	L 21519037 A	" 1969
L 17733830 A	" 1969	K 02896316 A	" 1969
B 64657726 A	" 1969	F 13454698 A	" 1969
G 13250601 A	" 1969	G 56007787 A	" 1969
G 39347379 B	" 1969	L 32433698 B	" 1969

RECORD DENTRIFICATION

B00624536B	1963 A	L 53286579A	1969
K 01123636A	1969	C 03019286A	1963A
C 04604582A	1969	E 23444731A	1969
E 63063910A	1963A	L 447886522	1963A
F 39064092A	1963A	L 62762865B	1963A
L 04548584A	1969	B 87456634A	1963A
R 07461820B	1963A	L 67916680B	1963A
L 14094551B	1963A	L 89450094A	1963A
L 12014645A	1963A	L 13841991A	1969
L 37171921A	1969	L 13985403A	1969
K 07096105A	1963A	L 79233725A	1963A
K 08218089A	1963A	L 32452290B	1963A
L 21042833B	1963A	G 19527870A	1963A
L 66261821A	1963A	L 03997850A	1969
G 52271972A	1969	G 24991743B	1963A
F 47128584A	1963A	L 11112242A	1969
L 04922590B	1963A	L 65422498B	1963A
L 68367932A	1963A	L 13708840A	1969
L 65997942B	1963A	B 79592363A	1963A
L 39494483B	1963A	K 10471765A	1969
L 02365986	1963A	L 15117071A	1969
L 66422276B	1963A	L 71198631B	1963A
L 55112658A	1963A	E 15955968A	1969
L 10030942A	1969	L 37805402B	1963A
G 51522804A	1969	G 41292388B	1963A

1/2/42
196

Base Denominations.

E 3701265 A	1963 A	L 12157687 A	1969
D 17336630 A	1963 A	L 16050005 A	1969
J 06649439 A	1969	J 01221981	1963 A
L 34343465 B	1963 A	L 41932265 B	1963 A
L 03061532 B	1963 A	B 64307092 A	1969
D 04390883 A	1969	G 59196472 A	1969
H 08579423 A	1969	G 04439767 A	1963 A
F 46646431 A	1963 A	L 41239149 B	1963 A
L 39196316 A	1969	L 20972819 B	1963 A
L 11273730 B	1963 A	D 44214856 A	1963 A
J 33556389 A	1963 A	D 24697722 A	1963 A
L 33052957 A	1969	G 06618773 B	1963 A
L 09296887 A	1969	E 39051052 A	1969
L 15377413 A	1969	A 21585669 A	1963 A
E 19299645 B	1963 A	L 04381091 B	1963 A
A 15688668 A	1963 A	I 00438169	1963 A
L 67871401 A	1963 A	F 14285787 A	1963 A
L 05550525 A	1969	L 62535758 B	1963 A
L 03958872 A	1969	E 23836427 B	1963 A
L 42862453 A	1963 A	L 11541393 B	1963 A
L 42260898 A	1963 A	B 60208218 A	1963 A
L 20415274 B	1963 A	B 87160424 A	1963 A
J 37289627 A	1963 A	L 64065185 B	1963 A
G 15219475 B	1963 A	G 52943835 A	1963 A
L 20057222 B	1963 A	L 23841217 B	1963 A

11/27/72
1/1

2000 DENOMINATION

L 17421402 A	1969	G 14191407 B	1963 A
L 16665813 A	1969	G 72572950 A	1969
L 2206855 A	1969	L 94003609 A	1963 A
L 14550214 A	1969	B 05755486 A	1969
J 00335918 A	1969	G 68943612 A	1963 A
G 23851196 B	1950 A	K 32089091 A	1963 A
K 19244929 A	1963 A	L 06486745 B	1963 A
L 61474873 B	1963 A	L 71582224 B	1963 A
B 36432713 A	1963 A	L 00070906	1969
L 90104039 A	1963 A	L 63577392 A	1969
L 44157567 B	1963 A	L 51392782 A	1969
L 13863050 A	1969	B 67107250 A	1969
D 57160452 A	1963 A	L 86441247 A	1963 A
L 74277088 B	1963 A	L 09852106 A	1969
K 00373402	1950 D	G 08601671 A	1963 A
L 31506649 B	1963 A	G 36051962 B	1963 A
G 54415492 B	1963 A	L 30355385 B	1963 A
B 75487673 A	1969	G 39869227 B	1963 A
K 13984873 A	1969	I 03248781 A	1963 A
L 45882220 A	1969	L 33722712 A	1963 A
G 58635309 A	1963 A	L 48080680 B	1963 A
L 27239385 B	1963 A	L 60634969 A	1969
B 18125512 A	1969	E 36405446 A	1969
B 72722858 A	1969	L 46390679 B	1963 A
L 28944537 A	1963 A	G 51327130 B	1963 A

3000 DEMONSTRATION

1969	L	01130037 A	1963A	L	67701349 B
1963A	"	L 794841337 A	1963A	L	58620529 B
1963A	"	G 7072705 A	1963A	E	1945327 H
1963	"	L 04457559 A	1969	H	02555757 H
1963A	"	G 96701008 A	1969	X	24722233 H
1969	"	L 04685765 A	1963A	L	34284922
1969	"	K 12450943 A	1963A	E	10684755 B
1969	"	L 12651747 A	1969	G	36321069 H
1963A	"	E 1745810 B	1963A	L	67670567 H
1969	"	L 45757347 A	1969	J	30953293 H
1963A	"	J 35746861 A	1963A	L	15083277 H
1963A	"	E 35589602 A	1969	L	72322542
1963A	"	L 75659682 B	1963A	J	0839032 H
1963A	"	L 00475434 B	1969	L	11712906 H
1969	"	L 11365831 A	1963A	G	41339745 B
1969	"	K 07216011 A	1963A	D	05220203 H
1963A	"	L 45653850 B	1963A	L	82764522 H
1969	"	D 03680369 A	1963A	L	65769570 B
1963A	"	L 64526599 B	1969	E	15800505 H
1963A	"	E 4301776 A	1969	H	0064601 H
1969	"	L 17672516 A	1963A	K	10755976
1969	"	L 07669786 A	1969	L	39603445 H
1969	Abn.	K 06243947 A	1963A	L	15225542
1969		G 84720475 H	1969	L	14507922 H
1963A		L 40254522 B	1969	L	15760957 H
1963A		I 13891218 H			
1969		L 25925879 H			

11/2/72

11/27/73

Page

150 Denomination

Denomination	Notes	1969	Denomination	Notes	1969
G 07607525 A	"	1969	L-04878205 A	"	1969
K 00641237 A	"	1963A	B-04406128 A	"	1962A
K 01145090 A	"	1969	B-08022800 A	"	1969
L 35414601 A	"	1969	L-02944379 A	"	1950A
L 04361671 A	"	1969	B-01038432 A	"	1969
E 01304076 A	"	1969	G-03711066 A	"	1969
A 01325633 A	"	1963A	K-01108758 A	"	1969
L 03109865 A	"	1969	G-04376796 A	"	1969
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G 01053140 A	"	1969	G-04331074 A	"	1969
L 05520002 A	"	1969	B-03716523 A	"	1950
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G 01517097 A	"	1969	K-00022437 A	"	1969
L 01500017 A	"	1969	L-02680537 A	"	1969
B 10633316 A	"	1969	L-02111637 A	"	1969
A 00361144 A	"	1969	C-03507141 A	"	1969
A 00113845 A	"	1969	K-00801513 A	"	1963A
I 00224688 A	"	1969	L-02428687 A	"	1963A
L 01275251 A	"	1969	L-01997304 A	"	1963A
B 00931170 A	"	1963A	E-01409924 A	"	1969
G 00917535 A	"	1969	G-00346343 A	"	1969
L 00017011 A	"	1963A	L-01013098 A	"	1969
I 10534915 A	"	1950E	D-01070441 A	"	1969

*100 Enumeration

N-01230045 A *Ames* 1969
 L-0247736A " 1963A
 C-024920652 A " 1969
 B-02711649 A " 1969
 C-01310940 A " 1950 B
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 E-01417837 A " 1969
 B-09119565 A " 1963 A
 L-01214388 A " 1969
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 F-002111766 * " 1963 A
 A-016062371 A " 1969
 T-00954760 A " 1969
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 I-00201195 A " 1963 A
 D-02201776 A " 1963 A
 S-009161035 A " 1969
 D-01222171 A " 1969
 L-00001486 * " 1963 A
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 L-00015732 A " 1969
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11/21/73

1969

G-04118943 A *Ames* 1969
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 G-03001417 A " 1969
 L-06163491 A " 1969
 T-00860933 A " 1969
 G-07076786 A " 1969
 E-01348732 A " 1969
 L-06649357 A " 1969
 L-03010739 A " 1969
 T-07008774 A " 1969
 L-06720536 A " 1969
 B-10565814 A " 1969
 B-37065320 A " 1950 B
 L-01238670 * " 1969
 L-04557140 A " 1969
 G-03650500 A " 1969
 L-01426128 A " 1969
 K-01288405 A " 1963 A
 D-02751231 A " 1969

*100 Enumeration

B-13531654 A *Ames* 1950 C
 L-02165064 A " 1963 A
 G-03260054 A " 1963 A
 G-04829235 A " 1950 A


JACOBSEN EXHIBIT No. 19

Joe R Long

UNITED STATES
COMMUNITY
NATIONAL BANK
AUSTIN, TEXAS
CITY OF AUSTIN, TEXAS
OWNER OR TRUSTEE
CITIZENS NATIONAL BANK
AUSTIN, TEXAS
FEB 17 1971

FEB 16 71 9 21 3 30

2229

 CITIZENS NATIONAL BANK
OF AUSTIN AUSTIN, TEXAS

February 15 1971

PAY TO THE ORDER OF JOE R LONG \$ 2,250.00

Two Thousand Two Hundred Fifty and no/100----- DOLLARS

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

JACOBSEN AND LONG
Eula L. Bulkley

AUSTIN, TEXAS 78701

⑆ 1111 1 236 7 ⑆ 36 263 8 ⑆ ⑆0000225000⑆


JACOBSEN EXHIBIT No. 20

Jule Jacobsen

UNITED STATES
COMMUNITY
NATIONAL BANK
AUSTIN, TEXAS
CITY OF AUSTIN, TEXAS
OWNER OR TRUSTEE
CITIZENS NATIONAL BANK
AUSTIN, TEXAS
FEB 17 1971

FEB 16 71 9 21 3 30

2230

 CITIZENS NATIONAL BANK
OF AUSTIN AUSTIN, TEXAS

February 15 1971

PAY TO THE ORDER OF JAKE JACOBSEN \$ 2,750.00

Two Thousand Seven Hundred Fifty and no/100----- DOLLARS

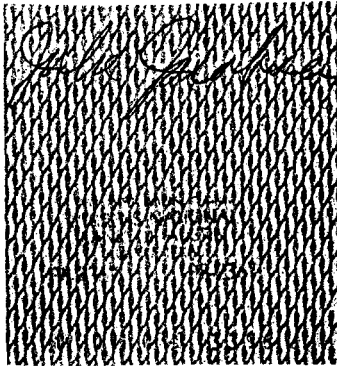
BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT


JACOBSEN AND LONG
Eula L. Bulkley

AUSTIN, TEXAS 78701

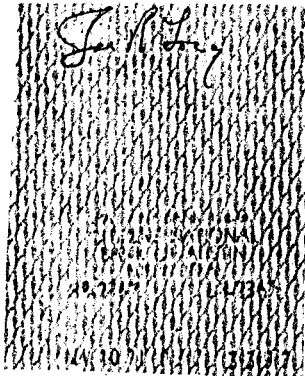
⑆ 1111 1 236 7 ⑆ 36 263 8 ⑆ ⑆0000275000⑆


JACOBSEN EXHIBIT No. 21



 CITIZENS NATIONAL BANK <small>OF AUSTIN, TEXAS</small>		270
November 10, 1977		154
PAY TO THE ORDER OF JOHN R. LONG	PAID CITIZENS NATIONAL BANK	\$ 2,750.00
Two Thousand Seven Hundred Fifty and no/100		DOLLARS
NOV 10 1977 JACOBSEN AND LONG		
AUSTIN		
1-1111-23670-36-253 80		0000275000

JACOBSEN EXHIBIT No. 22



 CITIZENS NATIONAL BANK <small>OF AUSTIN, TEXAS</small>		271
November 10, 1977		154
PAY TO THE ORDER OF JOHN R. LONG	PAID CITIZENS NATIONAL BANK	\$ 2,250.00
Two Thousand Two Hundred Fifty and no/100		DOLLARS
NOV 10 1977 JACOBSEN AND LONG		
AUSTIN		
1-1111-23670-36-253 80		0000225000

JACOBSEN EXHIBIT No. 24

ASSOCIATED MILK PRODUCERS, INC.

PHONE A/C 512 341-8651 TELEX 76-7446
P.O. BOX 32287
SAN ANTONIO, TEXAS 78216

Nº 4420

 $\frac{30.2}{1140}$

February 8, 1971

PAY
TO THE ORDER OF

~~REMITTANCE STATEMENT~~ 63644:00cts

\$5,636.00

JACOBSEN & LONG
WESTGATE
P. O. BOX 222
AUSTIN, TEXAS 78767

ASSOCIATED MILK PRODUCERS, INC.

THE ALAMO NATIONAL BANK
OF SAN ANTONIO, TEXAS

REMITTANCE STATEMENT—DETACH THIS STATEMENT BEFORE DEPOSITING CHECK

ASSOCIATED MILK PRODUCERS, INC.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	AMOUNT OF INVOICE	DEDUCTIONS	NET AMOUNT
	1310	Legal Fee January 1971	2,500.00		
		Legal Fee	3,000.00		
		Legal Expenses		6-08-16-01-00 6-08-16-02-00	5,500.00 136.00

JACOBSEN & LONG

WESTGATE
P. O. BOX 222
AUSTIN, TEXAS 78767
512-472-1131

SEMER, WHITE & JACOBSEN
1156 FIFTEENTH ST., N.W.
WASHINGTON, D. C. 20005
202-659-2900

February 5, 1971

Invoice No. 1310

Associated Milk Producers, Inc.
Post Office Box 32287
San Antonio, Texas 78216

Attention Mr. Bob Lilly

For professional services rendered as
part of retainer for month of January,
1971 \$2,500.00

Expenses 136.00

For professional services rendered in
excess of the amount covered by the
retainer 3,000.00

Total \$5,636.00

Thank you.

eqb


JAKE JACOBSEN

JOE R. LONG

GARY EVATT, ASSOCIATE

JACOBSEN EXHIBIT No. 25

For deposit only
Jack Long
11/11/77

 CITIZENS NATIONAL BANK <small>OF ASTORIA ALBERTA CANADA</small>		2715	
		November 10 1977	
PAY TO THE ORDER OF Jake Jacobsen		PAID \$30,000.00	
Thirty Thousand and no/100		DOLLARS	
Bal 1970 Income S-W		13 044 000 1977	
Part 1971 Income S-W		23 587 80	
Withdrawal from J&L		13 044 000	
1111111111		1111111111	
1111111111		1111111111	

JACOBSEN AND LONG

[Signature]

TUESDAY, DECEMBER 18, 1973

**U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.**

The Select Committee met, pursuant to notice, at 10:25 a.m., in room 343, Russell Senate Office Building.

Present: Senator Weicker.

Also present: David Dorsen and James Hamilton, assistant chief counsels; Alan Weitz, assistant majority counsel; Donald Sanders, deputy minority counsel.

Senator WEICKER. Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. NELSON. I do.

[Whereupon, at 10:25 a.m., the hearing in the above-entitled matter recessed to reconvene at 10:40 a.m., at 129 C Street NE., the same day.]

Mr. WEITZ. Mr. Nelson, for the record, would you state your full name and address, please?

**TESTIMONY OF HAROLD S. NELSON, ACCOMPANIED BY
JAMES W. GALLMAN, COUNSEL**

Mr. NELSON. Harold S. Nelson, 108 Cobblestone, San Antonio, Tex.

Mr. WEITZ. And would your counsel identify himself for the record, please?

Mr. GALLMAN. James W. Gallman, 201 Northeast Avenue, Fayetteville, Ark.

Mr. WEITZ. For the record, it should be noted that Mr. Nelson has produced for us, and we will just generally describe them at this point and if there is a need, the specific documents may be entered as exhibits later.

A record of his—actually, copies of his long-distance charges are to a credit card. Am I correct?

Mr. NELSON. Yes, sir.

Mr. WEITZ. To a credit card, from the period January 1972 approximately until the latest bill—it looks like October 1973.

The second document is a worksheet, prepared by D. Kirkland, who I believe is an employee of AMPI, of disbursements to Harold S. Nelson from AMPI for the period June 1968 through October 1972, with a summary at the bottom of payroll disbursements for the years, calendar years, 1968 through 1973.

Mr. NELSON. All right; you said through October 1972—it's through October 1973, I believe.

Mr. WEITZ. Well, the specific disbursements are listed as October 1972, and then there is a summary of payroll disbursements through the year 1973.

Mr. NELSON, could you give us a background of your association with various co-ops, dairy co-ops, or associations let's say back from 1960, forward—the principal associations?

Mr. NELSON. From 1960 forward?

Mr. WEITZ. Please.

Mr. NELSON. If you want me to start earlier, I can.

I'll start with 1959, the Texas Milk Producers Federation; I was the manager of the Texas Milk Producers Federation which was a federation of cooperatives marketing the milk of the in-members in the State of Texas. The South Texas Producers Association in Houston, Tex. Most of them are producers associations, in Corpus Christi, Tex. The North Texas Producers Association in Arlington, Tex.; the Mid-Texas Producers Association in Austin, Tex., Producers' Association of San Antonio, San Antonio, Tex.

Mr. WEITZ. Were you affiliated with all these at the same time?

Mr. NELSON. All of these made up the membership of the Texas Milk Producers Federation. I was the manager.

Mr. WEITZ. Previous to that had you been manager of the North Texas Milk Producers?

Mr. NELSON. No, sir.

Mr. WEITZ. Or counsel to them?

Mr. NELSON. That was in my capacity as manager of Texas Milk Producers Federation.

Mr. WEITZ. Now you continued as manager of the federation until what time?

Mr. NELSON. Well, until the federation was dissolved, technically it may not have been, but anyway for all practical purposes it ceased to function, when MPI, Milk Producers Inc., or when AMPI Associated Milk Producers Inc., was formed.

Mr. WEITZ. MPI was formed in 1967?

Mr. NELSON. I believe that is correct.

Mr. WEITZ. And you were general manager of that?

Mr. NELSON. That's right.

Mr. WEITZ. And AMPI was formed in 1969?

Mr. NELSON. That's approximate—I can't give you the exact dates; that's about right.

Mr. WEITZ. And you became general manager of AMPI?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Now, in your capacity as general manager of AMPI, what were your responsibilities?

Mr. NELSON. Generally—well, the nearest, concise description I could give you would be chief executive officer.

Mr. WEITZ. Did you have responsibility for hiring and firing of employees?

Mr. NELSON. Yes, sir; yes, sir.

Mr. WEITZ. What other types of duties? Did you have general responsibilities for all administrative—

Mr. NELSON. General responsibility for all administrative duties.

Mr. WEITZ. Who were your assistants—at first MPI and then AMPI?

Mr. NELSON. Well, with MPI, we had regional managers who would have been Mr. Parr, Mr. Moore——

Mr. WEITZ. What was Mr. Moore's full name?

Mr. NELSON. Charlie—Charles Moore; Mr. Suttle and Mr. Bart—Ross Bart; and Mr. J. G. Anderson. Then under those——[pause]. Each one of these—not each one, but some of these had divisions—were broken down into divisions, and each one had a division manager.

Mr. WEITZ. Where were you located as the general manager of MPI?

Mr. NELSON. San Antonio.

Mr. WEITZ. And AMPI?

Mr. NELSON. San Antonio.

Mr. WEITZ. Who were the officials, or assistants, in your office, or actually in San Antonio with you in MPI?

Mr. NELSON. Initially, there was no one, so not all of these were moved at the same time, this was an evolving process. But eventually, Mr. Bain——

Mr. WEITZ. B-a-i-n?

Mr. NELSON. Yes, sir. Bob Lilly, Lynn Elrod, Robert Isham—I believe that's it.

Mr. WEITZ. What were Mr. Lilly's responsibilities?

Mr. NELSON. Mr. Lilly's responsibilities were primarily dealing with legislation or regulation, and so forth, more or less at the State level.

Mr. WEITZ. Did he also have some political responsibilities with regard to both State and Federal political activity?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Could you describe those, please?

Mr. NELSON. Well, it wasn't a rigidly defined thing. It was any activity that we wanted to be involved in concerning the election of State or Federal candidates.

Mr. WEITZ. Did he have what would commonly be termed as lobbying responsibilities?

Mr. NELSON. In a sense, yes; but in another sense, no; because at the national level, as I recall, he spent very little time on any national lobbying as such. I think that he probably spent some time in connection with the price support decision, the price support bill that had—let's see, what was it—150 Congressmen—I don't know, some 28 Senators on it. He spent some time in Washington on that. I don't recall that he spent much time in Washington lobbying.

Mr. WEITZ. All right. We will return to that particular area somewhat later.

Mr. NELSON. All right.

Mr. WEITZ. What about Mr. Parr?

What were his responsibilities?

Mr. NELSON. Mr. Parr's responsibilities were primarily, initially the formation of MPI. Mr. Parr was manager of the Arkansas division or region. I forget what we called in at that time.

But also, Mr. Parr was one of the—I guess you would call it prime movers in putting together MPI and AMPI, and his responsibilities were much broader. He became involved in, I would say that, in all phases of activities of both groups.

Mr. WEITZ. Was his title, do you recall, special counsel to you?

Mr. NELSON. Yes, it was. I believe that was after the AMPI. I don't think that—

Mr. WEITZ. Yes, during the existence of AMPI?

Mr. NELSON. Yes.

Mr. WEITZ. And was he your—you say he was involved essentially in all phases of AMPI's activities?

Mr. NELSON. Yes.

Mr. WEITZ. Was he involved in as many activities or as broad a range of activities as yourself?

Mr. NELSON. Yes.

Mr. WEITZ. Was there anyone else besides you and Mr. Parr who had that broad a range of responsibilities and involvement?

Mr. NELSON. No.

Mr. WEITZ. Do you recall in approximately what year TAPE—Trust for Agricultural Political Education—was formed?

Mr. NELSON. I believe 1969, but I'll tell you right now I'm not good at recalling dates. But I believe it was 1969. It might have been a little earlier. But I think it was 1969.

Mr. WEITZ. Who was responsible for its formation?

Mr. NELSON. I would say that—well, I don't want to be misunderstood. I would say that I and others.

Mr. WEITZ. Can you mention any others who were primarily responsible?

Mr. NELSON. Primarily, I would say Mr. Parr.

Mr. WEITZ. Mr. Parr and yourself?

Mr. NELSON. I don't want to be misunderstood about it. Other people, you know, participated, and so on. But I would say that Mr. Parr was the—

Mr. WEITZ. All right.

Did you consult with any others, such as attorneys for AMPI, with respect to—or MPI at that time, with respect to the formation of TAPE?

Mr. NELSON. Well, as I recall, I think we discussed it with—I can't remember his name.

Mr. WEITZ. Was this an attorney for AMPI?

Mr. NELSON. Yes.

Mr. WEITZ. Was it DeVier Pierson?

Mr. NELSON. He's one it was discussed with, but he's not the one I'm trying to recall right now.

Mr. WEITZ. Was it Richard Maguire?

Mr. NELSON. That's who it was, Richard Maguire. I discussed it with Richard Maguire. I believe it was later that it was discussed with DeVier Pierson. And I believe we discussed it with Jake Jacobsen, but I'm not sure whether it was before or after the formation of it that it was discussed with him.

Mr. WEITZ. What was the context of your discussion, or the substance of your discussion with Mr. Maguire?

Mr. NELSON. Well, about the need for this sort of thing, and about the mechanics involved in setting up this sort of thing, and just how you did it, and that sort of thing as I recall.

Mr. WEITZ. What mechanics were you concerned about in terms of—

Mr. NELSON. Well, just what was involved in setting it up, you know. Did you have to have a charter, you know, just the usual—the legal mechanics.

Mr. WEITZ. Now, Mr. Isham was the sole trustee of TAPE at the outset; is that true?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Under the trust agreement, did not Mr. Isham have sole responsibility for the disbursement of funds from TAPE?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did he, in fact, have final decisionmaking authority with respect to disbursements by TAPE?

Mr. NELSON. Under the terms of that agreement he did; yes.

Mr. WEITZ. But in practical terms?

Mr. NELSON. In practical terms you mean. Who made the decision?

Mr. WEITZ. As a practical matter, who made the decision with respect to contribution?

Mr. NELSON. I would say that I did.

Mr. WEITZ. Is there anyone else to your knowledge who had, as a general matter, responsibility or final decisionmaking authority with respect to those contributions?

Mr. NELSON. Well, Mr. Lilly and Mr. Parr.

Mr. WEITZ. Do you remember any instances in which disbursements or contributions were made without you being consulted?

Mr. NELSON. No; I don't remember any instances.

Let me say this. There were instances, but in those instances where it was done it was done because they knew that they had my full confidence and they wouldn't have disbursed any funds that they weren't certain in their own mind that would have met with my approval.

Mr. WEITZ. And this in general terms would have been based—generally would have been based upon previous discussions about such matters?

Mr. NELSON. Previous discussions or previous expressed attitudes.

Mr. WEITZ. I see.

If you were readily available in the office, would they have gone ahead and approved it without conferring with you briefly, or did they?

Mr. NELSON. I don't know. Of course, I wasn't readily available in the office, you know. I was gone most of the time.

Mr. WEITZ. Yes.

Mr. NELSON. In addition to them, there was a committee, and you will have to ask Mr.—maybe you already have, but you'll have to ask Mr. Lilly about—there was a committee of board members who

received reports and with whom these TAPE contributions were discussed.

Mr. WEITZ. The reports were reports of contributions that had been made, is that correct?

Mr. NELSON. Yes.

Mr. WEITZ. Were they consulted before the contributions were made?

Mr. NELSON. In some instances.

Mr. Lilly would be the one who would have to talk to you about that.

Mr. WEITZ. But in all instances, the decisions would either accord to your previously expressed attitudes or would actually be at your authorization?

Mr. NELSON. Yes.

Mr. WEITZ. I'm sorry if I didn't catch it before. Could you just tell us what your current employment is?

Mr. NELSON. Currently?

Mr. WEITZ. Yes.

Mr. NELSON. American Grain and Cattle.

Mr. WEITZ. What is your position?

Mr. NELSON. I'm president of the American Grain and Cattle management.

Mr. WEITZ. When did you cease to be the general manager of AMPI?

Mr. NELSON. January 1972.

Mr. WEITZ. And you've been associated with American Grain and Cattle since that time?

Mr. NELSON. No; it's been formed since that time. Since its inception I've been associated with it.

Mr. WEITZ. I see. And are you affiliated with AMPI in any way at this time?

Mr. NELSON. Well, in any way is pretty broad.

Mr. WEITZ. Do you receive any moneys from AMPI?

Mr. NELSON. Not currently, not since October 1973.

Mr. WEITZ. Now, between January 1972 and October 1973, were you affiliated with AMPI and receiving compensation from them?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And what was your position?

Mr. NELSON. It was on a contractual relationship in which I agreed to consult with them and not to engage in any activities that might be detrimental to them.

Mr. WEITZ. And what was your compensation?

Mr. NELSON. It was \$100,000 a year, plus the fringe benefits provided any other employee.

Mr. WEITZ. And are you still receiving compensation from them?

Mr. NELSON. Not since October. The last compensation was from October, and of course that's a matter that is presently in dispute.

Mr. WEITZ. Is that because the contract as you interpret it was, had a 7-year term beginning in January 1972?

Mr. NELSON. Yes, sir.

Mr. WEITZ. All right.

Let's get back to TAPE.

Could you tell us what the substance of your discussion with Mr. Jacobsen was in connection with TAPE at the outset?

Mr. NELSON. No; I can't, because I can't recall that. It just seems to me that we did discuss with him the need for the organization. And I will be candid with you. I can't tell you who it was who actually prepared the trust agreement. It was—as I recall, it was either DeVier Pierson, Mr. Maguire, or Jake Jacobsen, but I can't tell you which one. And it might have actually been some other attorney, but I don't think so. I think it was one of those three.

Mr. WEITZ. Did you consult with anyone else that you can recall outside of AMPI with respect to the formation of TAPE?

Mr. NELSON. Yes; with Dairymen Inc. and with Mid-America Dairymen.

Mr. WEITZ. Can you recall which gentlemen or persons you discussed the formation of TAPE with?

Mr. NELSON. I don't recall a specific discussion. I can tell you who I assume we would have discussed with. It would have been with Gary Hanman of Mid-America and Paul Alagia of Dairymen, Inc.

Mr. WEITZ. Was this in connection with the formation of TAPE or in connection with similar organizations of trusts—other cooperatives?

Mr. NELSON. Formations of similar trusts with their cooperatives.

Mr. WEITZ. Was this also in 1969?

Mr. NELSON. I think so, but I'm not certain about that.

Mr. WEITZ. Now, if the trust for Mid-America, which was originally called Avery Associates and then became ADEPT—a-d-e-p-t—was formed in 1970, would your discussions with Gary Hanman and those of Mid-America have been essentially contemporaneous with the formation of their trusts?

Mr. NELSON. I would say so, or prior to.

Mr. WEITZ. Or prior to.

And similarly for SPACE and for Dairymen, Inc.?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did you discuss the formation of TAPE with anyone else?

Mr. NELSON. Oh, with board members and members. I'm sure it was discussed even in country meetings.

Mr. WEITZ. Did you discuss it with any government officials, either State or Federal?

Mr. NELSON. Not that I recall.

Mr. WEITZ. Did you discuss—

Mr. NELSON. I may have, but—

Mr. WEITZ. Did you discuss the formation of TAPE with John Connally?

Mr. NELSON. No, sir.

Mr. WEITZ. Do you know whether Mr. Jacobsen discussed the formation of TAPE with Mr. Connally?

Mr. NELSON. No, I don't.

Mr. WEITZ. Do you know Mr. Connally?

Mr. NELSON. Let me tell you—the answer is “Yes,” I do. And I would like to tell you how I know him.

Mr. WEITZ. Go ahead.

Mr. NELSON. The first time I met John Connally was about 1950 or 1951, about there. They were having an election in Texas. He was then an administrative assistant to Lyndon Johnson, and a friend of mine. A dairyman, who was a director of the local milk producers association, came to me and asked me, did I know anything about the new Texas election code. I told him no, and he asked me if I could find out about it. And I said yes. And he said, well, they would like to retain me to come down to Wilson County, which immediately adjoins Bexar County, 30 miles from San Antonio, because they were interested in getting a new sheriff elected, and they were convinced that they wouldn't have an honest election if they didn't get educated on the subject of what the rules and regulations concerning elections were. And they wanted to have some meetings. They had a committee and they wanted to have some meetings in various homes so as to prepare for the election, and also retain me to be present on election day to cope with any kind of court relief that might be indicated.

So they set up one of the meetings. As I recall, I believe it was at the home of John Connally's mother, because one of the people on this committee was his brother Merle Connally, who was a county judge of Wilson County. And John Connally happened to be home at that time, so I met him then.

The next time I met him was, as I recall, when he was a candidate for Governor. And he was at one of the—well, the then-president of North Texas Association, W. T. Crouch, was very interested in helping him become Governor, and he had him as a guest at the annual meeting of the North Texas Producers Association, and I met him just briefly there.

And then the next time that I recall meeting him was in March of 1972, when—oh, there was one other time in between. They had the Inter-American Cattlemen's Confederation, Confederation Internacional de Ganaderos, which is a hemispheric cattlemen's organization of which I was vice president at the time. They had its annual meeting in San Antonio, and this has been 6 or 7 years as I recall—it might have been 5. And John Connally was a speaker. I don't recall—I know I was on the speakers' platform. I may have introduced him, or I may not. But I did talk to him briefly.

Then the next time I talked to him was in March of 1972 with Mr. Jacobsen and Dr. Mehren and I.

Mr. WEITZ. We will return to that meeting later also.

Mr. NELSON. All right. I'm just trying to—

Mr. WEITZ. I understand. I appreciate it.

But between the times of these earlier meetings, first in the early 1960's, then sometime in the middle of the 1960's, until March of 1972, you had no contact with the Governor?

Mr. NELSON. Well, through Jake Jacobsen.

Mr. WEITZ. Yes; but directly?

Mr. NELSON. No; that's right.

Mr. WEITZ. Did Cliff Carter ever introduce you to Mr. Connally, or was he ever present when you were with Mr. Connally?

Mr. NELSON. No; I don't believe so.

Mr. WEITZ. Now, you talked about the advice and counsel you may have received from various gentlemen—Mr. Maguire, Mr. Pierson, Mr. Jacobsen—with respect to the formation of TAPE.

What advice, if any, did you receive with respect to the reporting requirements of TAPE?

Mr. NELSON. I believe the advice as to the reporting requirements was given to Mr. Isham.

Mr. WEITZ. By Mr. Pierson?

Mr. NELSON. I believe by Mr. Pierson.

Mr. WEITZ. Was this at the outset or close to the time when—

Mr. NELSON. Well, I think so. Close to the time.

Mr. WEITZ. And do you remember what that advice was as recounted to you by Mr. Isham?

Mr. NELSON. He didn't go into specifics. I never did concern myself with all that stuff.

Mr. WEITZ. I understand that, but—first, were you aware, for example, that Mr. Pierson advised Mr. Isham that TAPE was, as Mr. Pierson understood it, required to report to the Clerk of the House of Representatives under the then-existing legislation?

Mr. NELSON. That's my understanding. I knew that Mr. Isham was making reports and was required to make reports to the Clerk of the House.

Mr. WEITZ. And that was pursuant to the advice of Mr. Pierson?

Mr. NELSON. Yes.

Mr. WEITZ. Do you know whether Mr. Isham consulted with Mr. Jacobsen—now this is Mr. Isham with Mr. Jacobsen—concerning the operation of TAPE or political contributions?

Mr. NELSON. I don't know. He may have. I really don't know.

Mr. WEITZ. Do you know whether Mr. Jacobsen ever suggested to Mr. Isham that moneys be set aside and not reported from the receipts of TAPE so as to enable those affiliated with TAPE to make a non-reporting or nonreported political contribution from time to time?

Mr. NELSON. No.

Mr. WEITZ. To your knowledge, Mr. Jacobsen never made that suggestion of Mr. Isham?

Mr. NELSON. I'm not sure that I understand.

Mr. WEITZ. Let me repeat it; it is a little complicated. Do you know whether Mr. Jacobsen ever discussed with Mr. Isham the possibility of making contributions from moneys received by TAPE without those contributions being reported?

Mr. NELSON. No; the only thing I recall in connection with Mr. Jacobsen advising Mr. Isham was that—I believe it was Mr. Jacobsen who advised him that it might jeopardize—and it may have been Mr.

Pierson who said this, but I believe it was Mr. Jacobsen—it might jeopardize TAPE if the contributions weren't expended and were placed on interest deposits so that the interest placed—the amount when the interest added to the contribution amounted to over \$100. That's the only—there was a question about that.

Mr. WEITZ. My question, however, did not relate to that type of transaction.

Mr. NELSON. No, I know. And I say that's the only thing I recall in connection with that.

Mr. WEITZ. Did you ever discuss that possibility with Mr. Jacobsen of making an unreported contribution from TAPE money?

Mr. NELSON. I don't recall that I did. I may have, but I don't recall having discussed that with him, because it was my understanding that all the contributions of TAPE had to be reported.

Mr. WEITZ. That was your understanding essentially from the outset?

Mr. NELSON. Yes.

Mr. WEITZ. Now, you mentioned Mr. Pierson. He had been employed in the White House, had he not, in 1968?

Mr. NELSON. Yes, sir.

Mr. WEITZ. I would like to review some of the other attorneys who were then in the employ or retained by AMPI or MPI.

James Jones—was he retained by or employed by AMPI?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And he also had been employed in the White House in 1968?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Clifford Carter—was he also retained by MPI or AMPI?

Mr. NELSON. Yes, but that was—he is not an attorney.

Mr. WEITZ. He was a consultant?

Mr. NELSON. Yes.

Mr. WEITZ. A lobbyist?

Mr. NELSON. More or less an ombudsman.

Mr. WEITZ. With respect to political matters in Washington?

Mr. NELSON. With respect to regulatory anything in Washington—legislative, regulatory agencies.

Mr. WEITZ. Now, Richard Maguire—he also was retained by AMPI?

Mr. NELSON. Yes, he was an attorney. Now, wait a minute. I don't know whether Richard Maguire was retained by AMPI or by Associated Milk Producers—one or the other.

Mr. WEITZ. AMPI is Associated Milk Producers, is it not?

Mr. NELSON. No, I mean by Associated Dairymen. I'm sorry.

Mr. WEITZ. Oh, all right.

But if the records show that he was retained by AMPI—

Mr. NELSON. Yes, it was by one or the other.

Mr. WEITZ. Ted van Dyk Associates, he also was retained by AMPI?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Mr. Jacobsen's two firms were retained by AMPI, is that correct—one in Austin, one in Washington?

Mr. NELSON. Right.

Mr. WEITZ. The one in Austin was Jacobsen & Long?

Mr. NELSON. Yes.

Mr. WEITZ. And the one in Washington was Semer, White & Jacobsen?

Mr. NELSON. Well, I don't know the second name that you mentioned. I know the names Semer and Mr. Jacobsen. Right.

Mr. WEITZ. And both Mr. Jacobsen's Washington firm and Austin firm were retained by AMPI?

Mr. NELSON. Right.

Mr. WEITZ. What type of work did Mr. Jacobsen do for AMPI?

Mr. NELSON. Well, Mr. Jacobsen did anything we called on him to do. For instance, he talked to Mr. Connally about problems we had, such as the support price matter, imports, or whatever. Mr. Jacobsen attended and made speeches at meetings, both country and general.

Mr. WEITZ. How about Mr. Semer? What was his function or responsibilities for AMPI?

Mr. NELSON. The only thing—now, there may have been something else. I won't say that—but the only thing that I really recall Mr. Semer being involved in is when I asked Mr. Jacobsen if he knew someone we could get who could give us an entree with the administration where we could get our story heard.

Mr. WEITZ. And what was his response?

Mr. NELSON. You want me to go into that now?

Mr. WEITZ. Yes; why don't we.

Mr. NELSON. Well, Mr. Jacobsen said "No"; but he would try to find out—he would see. And he came back and he said he had talked to Milt Semer, and that he had talked to John Mitchell, whom he knew, and that John Mitchell had suggested Herb Kalmbach.

Mr. WEITZ. Now, had you asked anyone else for similar advice, or to find out similar information for you?

Mr. NELSON. Well, as I recall, we had asked Cliff Carter.

Mr. WEITZ. Did he give you any type of response?

Mr. NELSON. Well, it was as a result of the conversation with Cliff Carter that we wound up retaining Marion Harrison.

Mr. WEITZ. Was that during the same time period when Mr. Semer was making contact with Mr. Mitchell and reporting back to you through Mr. Jacobsen?

Mr. NELSON. Well now, I can't tell you. One may have preceded the other.

Mr. WEITZ. All right.

Now, with respect to the contact with Mr. Mitchell, who did you talk to about Mr. Semer's contact?

Was it Mr. Semer directly or Mr. Jacobsen?

Mr. NELSON. I talked to Mr. Jacobsen about it.

Mr. WEITZ. So Mr. Jacobsen essentially reported back to you as to the success or the contacts being made by Mr. Semer on your behalf?

Mr. NELSON. Right. I may—that is as I recall it—I may have actually talked to Semer, but I believe it was Mr. Jacobsen coming back and telling me.

Mr. WEITZ. And if you talked to Mr. Semer, was Mr. Jacobsen usually in your presence or aware of the contacts and the information you were receiving from Mr. Semer, his partner?

Mr. NELSON. Well, not always. He may have been aware, but I'm talking about—he wasn't always in the presence. Later Mr. Semer—I believe it was Mr. Semer who went with Mr. Parr and me to see Mr. Dent.

Mr. WEITZ. We'll get to that in a minute.

That was sometime later, though. That was also in 1969, after some contact with Mr. Kalmbach, was it not?

Mr. NELSON. I believe so; yes.

Mr. WEITZ. Was there anyone else that Mr. Semer contacted besides the contact with Mr. Mitchell, and eventually contacts with Mr. Kalmbach?

Mr. NELSON. Mr. Dent.

Mr. WEITZ. In the administration?

Mr. NELSON. I believe that's right. I believe it was Mr. Dent.

Mr. WEITZ. Did he contact Mr. Gleason also?

Mr. NELSON. Yes; and I believe he also went with us to see Mr. Gleason. I may be wrong. It may be he didn't go with us to see Mr. Dent, and it was Mr. Gleason. But I believe he went with both.

Mr. WEITZ. Let's take it one at a time.

You talked with Mr. Mitchell, who suggested that you or someone on your behalf contact Mr. Kalmbach, is that correct?

Mr. NELSON. That's right.

Mr. WEITZ. Now, do you know what Mr. Semer told Mr. Mitchell as to what it was that you wanted?

Mr. NELSON. That we wanted to find somebody who could open some doors, so to speak, so that we could present our story, our position, in the administration, and we had no one to whom we could talk at the White House level.

Mr. WEITZ. And Mr. Mitchell suggested that you contact Mr. Kalmbach?

Mr. NELSON. Yes; that's my understanding. Mr. Mitchell gave Mr. Kalmbach's name to Mr. Semer.

Mr. WEITZ. Now, what was Mr. Kalmbach's position in the administration at that time?

Mr. NELSON. He had none as far as I knew. The position that I understood he had was not in the administration. I understood that he was the President's personal lawyer.

Mr. WEITZ. Was he also involved in fundraising?

Mr. NELSON. Well, yes; but I don't view that as—I didn't view that as being within the administration.

Mr. WEITZ. Neither was attorney for the President a title within the administration either?

Mr. NELSON. That's right.

Mr. WEITZ. Do you know why it was suggested, or for what purpose you were to speak to Mr. Kalmbach?

Mr. NELSON. To accomplish the purpose of getting some doors opened for us.

Mr. WEITZ. Well, Mr. Mitchell—you made the request to Mr. Mitchell. Could he not have seen to it that doors were opened to you at the White House?

Mr. NELSON. I assume that he could have. Of course, we didn't know him, you understand.

Mr. WEITZ. Mr. Semer knew him, didn't he?

Mr. NELSON. Mr. Semer knew him. Of course, they were of opposite political persuasions, the way I understand it. But Mr. Semer had had some position in some regulatory agency—I don't know which one—that Mr. Mitchell as a private attorney had dealt with, or they had known each other before. And I don't mean that they were, you know, long intimate friends or anything, but they did know each other. And so that's why Milt Semer went to him to ask him, you know, what to do.

Mr. WEITZ. And he was told to contact Mr. Kalmbach.

I take it Mr. Kalmbach and Mr. Semer were also of opposite political persuasions?

Mr. NELSON. Yes, sir.

Mr. WEITZ. What was the purposes of contacting—

Mr. NELSON. It was my understanding that Mr. Semer did not know Mr. Kalmbach at this time.

Mr. WEITZ. What was the purpose of contacting Mr. Kalmbach? Wasn't it to make a political contribution?

Mr. NELSON. Well, the purpose was to try to see what could be done to get Mr. Kalmbach to open the doors.

Mr. WEITZ. Was it contemplated by you or anyone else at AMPI that a contribution should be made in order to facilitate that effort?

Mr. NELSON. We assumed that there would be some contributions made.

Mr. WEITZ. Wasn't that the reason you thought you were put in contact with Mr. Kalmbach?

Mr. NELSON. We didn't know whether it was that or for fees at the time. We didn't know whether it was a fee or a contribution.

Mr. WEITZ. What do you mean by fees?

Mr. NELSON. Lawyers' fees.

Mr. WEITZ. Are you suggesting that you thought that you would be asked to retain Mr. Kalmbach—AMPI would be asked to retain?

Mr. NELSON. That's one of the possibilities that—yes, we weren't sure.

Mr. WEITZ. How would he effect your access to the administration? Mr. Kalmbach would act on your behalf as your attorney?

Mr. NELSON. Mr. Kalmbach or someone associated with him.

Mr. WEITZ. I see. Now, could you tell us what transpired in that context? How many contacts were there, do you know, between Mr. Semer or anyone else on your behalf in 1969 and Mr. Kalmbach?

Mr. NELSON. Well, no, I don't. I don't know how many contacts. I know that Mr. Semer came back and said that it had been suggested that he see Mr. Kalmbach. As I recall, at the time he didn't tell us it was Mr. Kalmbach. He said, "See a California lawyer." He may have said "Kalmbach." I don't really think so at that time. And I

don't know whether he told Mr. Jacobsen or whether he told me. I rather think it was Mr. Jacobsen that he told.

And so we said, go ahead and see, which he did. And then, as I recall, he came back and said if we want to go forward with the relationship, that we should deliver \$100,000 in cash.

Mr. WEITZ. This was Mr. Kalmbach's suggestion to Mr. Semer?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Which Mr Semer in turn related to you?

Mr. NELSON. Related to me.

Mr. WEITZ. Through Mr. Jacobsen?

Mr. NELSON. Either way. He may have related it to me personally. It was either through Jacobsen or personally. I don't recall which it was.

Mr. WEITZ. Now, before Mr. Semer made contact with Mr. Kalmbach, did he tell you what Mr. Mitchell had suggested? First of all, were there any—

Mr. NELSON. Yes, he told us that Mr. Mitchell had—as I recall, he said that he went to Mr. Mitchell. I don't remember whether at that time he told me that, or whether I found that out after we got involved in all of this, and I started trying to recall them talking to them about how it happened. It may be that I found out that it was actually Mitchell that he talked to after I first talked to you, or just prior to that sometime. Anyway, it is my present understanding that Mitchell is who he talked to.

Mr. WEITZ. Do you know whether Mr. Mitchell suggested or discussed anything else with him besides contacting Mr. Kalmbach?

Mr. NELSON. No.

Mr. WEITZ. Now, you say it was—the two possibilities, as you understood it in contacting Mr. Kalmbach, was either a contribution to Mr. Kalmbach or perhaps legal fees retaining him?

Mr. NELSON. I wasn't sure at the time, as I recall, whether the money was going as a political contribution or whether it was going to be a fee.

Mr. WEITZ. Now, who did you discuss these possibilities with?

Mr. NELSON. It would have been with either Mr. Jacobsen or Mr. Semer.

Mr. WEITZ. Anyone else?

Mr. NELSON. I don't recall anyone else.

Mr. WEITZ. Now, when you say as a fee, who was to retain—who would have been paying the fee?

Mr. NELSON. We would have been paying the fee.

Mr. WEITZ. "We" meaning whom?

Mr. NELSON. Associated Milk Producers.

Mr. WEITZ. I see.

Now, when Mr. Semer brought back this information to you, did he tell you anything else about his contact with Mr. Kalmbach?

Mr. NELSON. I don't recall that he did.

Mr. WEITZ. So all he related to you was that Mr. Kalmbach had requested the \$100,000 contribution.

Did he use that term, or did he use the term "payment," or just \$100,000?

Mr. NELSON. I don't recall, he may have. Like I say, I don't recall. But it was \$100,000 in cash.

Mr. WEITZ. That it be delivered to Mr. Kalmbach?

Mr. NELSON. Yes. And as I recall, at the time I don't even know that he told me it was Kalmbach at that time. Later I knew it was.

Mr. WEITZ. To this California lawyer?

Mr. NELSON. Yes. Later I knew it was Kalmbach, but at the time, I don't recall. I don't really believe he did. He may have. But just as my memory serves me, at that point I didn't really know it was Kalmbach.

Mr. WEITZ. You knew that he was a California lawyer who was in some way affiliated with the White House or the President?

Mr. NELSON. Yes, sir.

Mr. WEITZ. That was sufficient for you at that time?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Now, when Mr. Semer reported this back to you, did that resolve the ambiguity, or did there still remain an ambiguity as to what you would do in terms of delivering the money?

I mean, in other words, did you understand it to be a contribution as opposed to a legal fee?

Mr. NELSON. Well, we understood it could be, as I recall we understood it to be—we weren't sure what they were going to do with the money.

Mr. WEITZ. What was this California lawyer going to do for you if, in fact, it was a legal fee?

Mr. NELSON. It was going to have the same result, whether it was a contribution or a fee.

Mr. WEITZ. Well, not exactly. Who was going to keep the fee?

Mr. NELSON. I don't know.

Mr. WEITZ. What was the money for?

Mr. NELSON. The money was to try to open some doors so we could get—

Mr. WEITZ. All right. That was the result you hoped you would obtain by giving the money to them?

Mr. NELSON. That's right.

Mr. WEITZ. What was to be done with the money if it was a legal fee as opposed to a contribution? Presumably, there would be a different use made of the money.

Mr. GALLMAN. How in the world does he know, Mr. Weitz, what he's going to do with it?

Mr. WEITZ. I'm asking what you were told or what you understood.

Mr. NELSON. I wasn't told anything specific. As I recall, it was a very ambiguous thing. I assume that it was—you see in my own mind I thought it was a contribution. I figured that, and that is the reason we initially took that money out of TAPE to pay it.

Mr. WEITZ. All right. And when Mr. Semer reported this back to you, what steps did you next take? What next happened with respect to these contacts?

Mr. NELSON. Well, this is going to sound strange to you, but actually for several months thereafter I figured we had just paid the money and nothing had happened.

Mr. WEITZ. Well now, let me ask. I am asking with respect to payment of the money. How was the money actually delivered?

Mr. NELSON. Oh, I misunderstood your question. You're still on it.

Mr. WEITZ. Before the payment, leading up to the payment.

Mr. NELSON. All right.

Well, Mr. Lilly took the money to Mr. Semer, I believe. Now, I believe this was the way it was done—to Mr. Semer in Dallas. Mr. Semer met him in Dallas. Mr. Semer delivered the money to California.

Mr. WEITZ. Now, in advance of that, did any meetings take place between you and Mr. Parr and Mr. Jacobsen to discuss this matter?

Mr. NELSON. I don't believe any meetings took place. I don't believe any meetings took place with Mr. Parr on that. They might have, but I—

Mr. WEITZ. Did you meet with Mr. Parr, Mr. Jacobsen, Mr. Semer in the Executive Inn in Dallas just before one of Mr. Semer's trips to California?

Mr. NELSON. I don't remember. We could have, but I don't remember that. As a matter of fact, I don't believe I even went to Dallas. I think Mr. Lilly took the money.

Mr. WEITZ. Now, I'm not talking about the delivery of the money.

In advance of the delivery of the money to discuss a meeting between—an upcoming meeting between Mr. Semer and Mr. Kalmbach?

Mr. NELSON. I don't recall that meeting.

Mr. WEITZ. Besides that specific meeting, do you recall conferring with Mr. Jacobsen and Mr. Parr about these contacts in advance of the delivery of the money?

Mr. NELSON. Well, I recall conversing with Mr. Jacobsen.

Mr. WEITZ. And Mr. Semer?

Mr. NELSON. And Mr. Semer—both.

Mr. WEITZ. What about Mr. Parr?

Mr. NELSON. You see, the logical thing is that Mr. Parr—I would have, because I conferred with him on almost everything. But I have no specific recollection of discussing this with Mr. Parr, or a meeting in the Executive Inn. I don't remember ever meeting Mr. Semer in the Executive Inn in Dallas. My recollection is that all of the meetings I had with Mr. Semer were actually in Washington, but I was in an awful lot of meetings, so I may well have met him. But I sure don't remember.

Mr. WEITZ. Who arranged for the—where was the money taken from?

Mr. NELSON. From Austin, Tex.

Mr. WEITZ. What was the source of the funds?

Mr. NELSON. The TAPE account at the Citizens' National Bank.

Mr. WEITZ. That was the bank where TAPE kept its account?

Mr. NELSON. Right.

Mr. WEITZ. And Mr. Jacobsen was chairman of the board of that bank?

Mr. NELSON. He was a major stockholder, and I don't know whether he was chairman of the board.

Mr. WEITZ. Who arranged to have the money withdrawn?

Mr. NELSON. I believe Mr. Lilly. Well, after we talked to Mr. Jacobsen and the rest of it was handled by Mr. Lilly and somebody at the bank.

Mr. WEITZ. Was Mr. Jacobsen also involved and aware of the transaction?

Mr. NELSON. It is my recollection that he was, yes.

Mr. WEITZ. Was Mr. Isham involved in it in any way?

Mr. NELSON. Yes, Mr. Isham was aware.

Mr. WEITZ. Before the money was withdrawn he was aware of the transaction?

Mr. NELSON. Yes, I'm sure he was.

Mr. WEITZ. And the money was withdrawn from the TAPE account?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And it was delivered to Mr. Semer?

Mr. NELSON. It was delivered to Mr. Lilly, who then delivered it to Mr. Semer.

Mr. WEITZ. Who then delivered it to Mr. Kalmbach?

Mr. NELSON. That's my—yes.

Mr. WEITZ. Was a receipt obtained from Kalmbach?

Mr. NELSON. I don't know. I don't think so.

Mr. WEITZ. Was there ever any discussion, either before the money was delivered, as to, first of all, the reason it was to be made in cash?

If your answer is yes by shaking your head, could you tell us what discussion took place?

Mr. NELSON. No, I don't recall any discussion other than—I remember that crossing my mind that either, if it is a fee, they don't want to be identified with us, and if it's a political contribution they don't want to report it.

Mr. WEITZ. One way or the other they didn't want it to be known?

Mr. NELSON. That's right.

Mr. WEITZ. Whatever form it took.

Mr. NELSON. That's right.

Mr. WEITZ. Now, we discussed before that Mr. Pierson had advised Mr. Isham, and you were aware, that as a general matter TAPE, as Mr. Pierson understood it, had to report to the Clerk of the House under then-existing law?

Mr. NELSON. That's right.

Mr. WEITZ. And are you familiar with, or were you familiar at the time of the Corrupt Practices Act?

Mr. NELSON. No, I wasn't. But I am now. Well, I don't want to say "familiar." I'm no expert, but I am aware of it.

Mr. WEITZ. Now, at the time this contribution or this payment was made, and you understood that the money was to be delivered in cash so that somehow Mr. Kalmbach or the President would not be associated with Associated Milk Producers, what did you contemplate would be done with respect to the reporting requirements of TAPE?

Mr. NELSON. Well, I had actually in the back of my mind hoped that we would be able to—after we had done it, be able to get them to give us some information or something that we could use to report. But it became obvious—we heard nothing after we made that.

Mr. WEITZ. But wasn't it also made clear to you at the outset before the payment?

Mr. NELSON. Yes, it was.

Mr. WEITZ. That they did not want it reported?

Mr. NELSON. Yes, sir; it sure was.

Mr. WEITZ. Do you know if anyone on your behalf, either Mr. Semer or Mr. Jacobsen or anyone else, ever asked for information from Mr. Kalmbach in order to enable TAPE to report the contribution?

Mr. NELSON. I think they did not.

Mr. WEITZ. Either before or after the contribution was made?

Mr. NELSON. That's right.

Mr. WEITZ. Was it, in fact, a contribution or was it a legal fee?

Mr. NELSON. Since then I have been told that it was a contribution.

Mr. WEITZ. Well, I don't understand. In other words, if it was a legal fee, was TAPE going to pay \$100,000 as legal expense? Was that what you contemplated?

Mr. NELSON. Well, there is probably some wishful thinking in that deal about the legal fee. I think that TAPE could have paid a legal fee.

Mr. WEITZ. Of \$100,000?

Mr. NELSON. Of whatever.

Mr. WEITZ. For access by AMPI to the administration?

Mr. NELSON. If it were in fact a legal fee, I think they could.

Mr. WEITZ. If in fact it were a legal fee?

Mr. NELSON. I think so.

Mr. WEITZ. And then it would be a legitimate expenditure by TAPE, and it would not be a corporate expense or something connected with the business activity of AMPI?

Mr. NELSON. Actually, I think the corporation itself could have paid the legal fee.

Mr. WEITZ. But the money was withdrawn from TAPE?

Mr. NELSON. The money was withdrawn from TAPE.

Mr. WEITZ. So at the outset the transaction appeared to be a contribution from TAPE of \$100,000 in a manner in which it was made clear to you at the outset was not intended to be reported?

Mr. NELSON. That's right.

Mr. WEITZ. At least the recipient did not want it reported?

Mr. NELSON. That's right.

Mr. WEITZ. Do you know what Mr. Kalmbach did with the money?

Mr. NELSON. No, I don't.

Mr. WEITZ. Do you know whether he received any other amounts in cash from any other persons or organizations?

Mr. NELSON. No.

Mr. WEITZ. Now, in gathering the cash together, do you know of any preparation on the part of AMPI or TAPE or anyone at the bank to obtain bills in such a manner so that the \$100,000 transaction could not be traced?

Mr. NELSON. No, I don't know anything about that.

Mr. WEITZ. Do you know of any instructions to that effect?

Mr. NELSON. No.

Mr. WEITZ. Did anyone ever tell you of any such arrangement?

Mr. NELSON. Not that I recall. I don't recall any.

Mr. WEITZ. So to your knowledge the transaction would be readily reportable and readily traceable in the bank's records?

Mr. NELSON. Yes. I think the transaction would be right there in the bank's records where you could find it.

Mr. WEITZ. In what form did the \$100,000 take—what size bills?

Mr. NELSON. I can't tell you that. Mr. Lilly could tell you, but I can't.

Mr. WEITZ. Mr. Jacobsen also?

Mr. NELSON. I assume that he could. I don't know who actually handled it out there at the bank. I doubt that Mr. Jacobsen could tell you, you know, the size of the bills. He might.

Mr. WEITZ. Were you aware at the time of the transaction that a contribution in excess of \$5,000 to any one political candidate or committee in any 1 year was prohibited by Federal law?

Mr. NELSON. I believe I was. I don't recall specifically, but I think I was aware of it.

Mr. WEITZ. Can you explain to us why the contribution was made nonetheless in that form and in that amount?

Mr. NELSON. Just out of—it was made just like a lot of other contributions were made, just borne out of desperation in trying to deal with the administration.

Mr. WEITZ. Was it ever made—were you ever led to believe or understand, or was that the natural consequence of this transaction, that this money was necessary in order to successfully gain access to the White House or someone in the administration? I mean, was that your understanding of the transaction?

Mr. NELSON. Well, let's put it this way. We hadn't been able to gain access.

Mr. WEITZ. And you were told to contact Mr. Kalmbach, and he told you, or he told Mr. Semer, that \$100,000 should be delivered to him in cash?

Mr. NELSON. That is my understanding; yes.

Mr. WEITZ. Is it your understanding, then, that that was part of the process of obtaining access to someone in the administration?

Mr. NELSON. We hoped that it would result in that.

Mr. WEITZ. Did Mr. Semer report back to you about anything with respect to the delivery of the money, or did you understand from any source what happened with respect to the delivery of the money?

Mr. NELSON. I understood it had been delivered to the California lawyer, and later I learned—as I recall, I don't believe at the time they told me his name. They may have. But anyway, I understood that it had been delivered.

Mr. WEITZ. Now, following delivery of that money, did you become aware of any contacts or any greater access to anyone in the administration?

Mr. NELSON. That's what I started to say earlier when I misunderstood your question.

It seemed to us then that nothing was happening as a result of that. But since then, just by reading published accounts, why, in retrospect I would tie the fact that we did see Mr. Dent.

Mr. WEITZ. That was sometime shortly after the delivery of the money?

Mr. NELSON. I can't tell you just how—not a whole lot of time elapsed.

Mr. WEITZ. Did you see him with Mr. Semer?

Mr. NELSON. I believe Mr. Semer and Mr. Parr.

Mr. WEITZ. And yourself—met Harry Dent in the White House, in his White House office?

Mr. NELSON. Yes; in his office.

Mr. WEITZ. The Executive Office Building?

Mr. NELSON. No; as I recall his office—I may be wrong about this—but as I recall, his office was in the East Wing of the White House when we saw him. It wasn't in the Executive Office Building.

Mr. WEITZ. Now, if Mr. Semer's records indicate that he met with Mr. Dent on August 19, 1969, which would have been approximately 2½ weeks after the delivery of the money to Mr. Kalmbach, does that refresh your recollection as to the time you met with Mr. Dent and Mr. Parr?

Mr. NELSON. I'm sure that's when I was there.

Mr. WEITZ. What was discussed at the meeting with Mr. Dent?

Mr. NELSON. I believe that we discussed some problems that we had. I can't recall what specific problem we were talking about then. It probably had to do with import regulations or tariffs, or something like that.

Mr. WEITZ. Did anyone at that meeting—

Mr. NELSON. It would have been on dairy problems.

Mr. WEITZ. Was it your understanding, then, that Mr. Dent was going to be your contact or the person that you could reach in the White House with respect to dairy problems?

Mr. NELSON. No. It would just—it was just kind of hoped that maybe he would.

Mr. WEITZ. Did Mr. Semer or Mr. Dent or anyone else indicate at the meeting that you were supporters of the President?

Mr. NELSON. I believe that at the meeting it was indicated that we wanted to support the President. You see, we were always very candid about it, that we were Democrats who had a track record that, you know, couldn't be denied. That was, depending upon your political persuasion, that is a cross that you had to bear. And so we made no bones about the fact. But we also told him that we wanted to support the President and that we would support the President.

Mr. WEITZ. But there was no indication to your recollection that you were supporters of the President?

Mr. NELSON. That we were at that time? No, I wouldn't say so.

Mr. WEITZ. What about the \$100,000 contribution?

Mr. NELSON. That was a payment. As far as I recall, that \$100,000 was never mentioned by anybody.

Mr. WEITZ. No; not specifically. But didn't that make you supporters of the President?

Mr. NELSON. Oh, you mean—yes; it did. It did in our view. But I don't think that—I am quite sure that at that point they didn't consider us to be supporters.

Mr. WEITZ. Did you ever meet with Mr. Gleason?

Mr. NELSON. Yes, sir.

Mr. WEITZ. In 1969?

Mr. NELSON. Well, I can't tell you the date. But I tell you, I believe we met with Mr. Gleason more than once. And as I recall, it was either very shortly after or maybe a little before meeting with Mr. Dent.

Mr. WEITZ. Now, let me show you a letter. It is a letter from Jack Gleason to Milt Semer, dated September 16, 1969.

Have you ever seen this letter, or a copy of it?

Mr. NELSON. I will put it this way. I do not recall having seen it, and I do not recall ever having suggested to anybody to serve on such boards. We may have, but I do not recall.

Mr. WEITZ. Do you recall in 1969, for example, an effort to have Mr. Nixon attend and speak at some type of dairy meeting or convention in Fayetteville?

Mr. NELSON. No; it is—

Mr. WEITZ. I am not sure whether it is Fayetteville, Ark., or Indiana, or some other Fayetteville.

Mr. GALLMAN. He came to the football game there once.

Mr. NELSON. I was there when he came to the football game. I did not see him, but I did go to that football game.

Mr. WEITZ. Was that in 1969? In connection with his attendance at that football game, or that weekend, was there any attempt to have him meet or address any dairy meeting that you know of?

Mr. NELSON. As far as I know, there was not even a dairy meeting that week. We flew to the game from San Antonio. We were not attending any dairy meeting or anything.

Mr. WEITZ. And you recall no meetings in December 1969 in Fayetteville for which an attempt was made to have the President attend and speak to the meeting?

Mr. NELSON. No; I sure do not. I just do not recall.

Mr. WEITZ. Was the \$100,000 the first payment in 1969 to either a fundraiser for the President or some other representative of the President from AMPI or TAPE?

Mr. NELSON. Are you talking about a different amount now?

Mr. WEITZ. Yes; other than the \$100,000, was there any other payments to the President in 1969?

Mr. NELSON. 1969?

Mr. WEITZ. Yes; or a Republican fundraiser on behalf of the President?

Mr. NELSON. Well, if you have a date, or can tell me the kind of function.

Mr. WEITZ. Do you recall a dinner in 1969, which you attended?

Mr. NELSON. I attended a lot of dinners.

Mr. WEITZ. A Republican fundraising dinner?

Let me show you a copy of the check from Milk Producers, Inc., to you for \$5,000, and the request for check indicates reimbursement for expenses in connection with Washington, D.C., dinner, and then attached to it is a letter from you to Republican victory dinner, May 1, 1969.

"Enclosed is a check in the amount of \$5,000 for five tickets to the victory dinner to be held on May 7," and so forth. Have you ever seen either that check or the attached letter?

Mr. NELSON. Yes, I have seen both.

Mr. WEITZ. And was that a Nixon victory dinner, as I recall?

Mr. NELSON. Yes.

Mr. WEITZ. As it indicates on there?

Mr. NELSON. Yes.

Mr. GALLMAN. May I see that?

Mr. WEITZ. Now, in the attached letter, it indicates that two of the five tickets were to go to Mr. Bryce Harlow and his wife. Who arranged that?

Mr. NELSON. I would say Mr. Marion Harrison.

Mr. WEITZ. You had no direct contract with Mr. Harlow before the dinner?

Mr. NELSON. No, and not at the dinner.

Mr. WEITZ. You did not meet or see him at the dinner?

Mr. NELSON. Now, wait a minute. I might have said, "How do you do," but he was not at the table or anything.

Mr. WEITZ. I see. Was Mr. Harrison retained by AMPI at the time?

Mr. NELSON. I believe so.

Mr. WEITZ. Now, did you pay for the tickets originally out of your own funds?

Mr. NELSON. Well, I wrote a check for the payments, and then I was reimbursed. I had totally forgotten that until I got this list from AMPI of payments to me, and Mr. Sale showed me these instruments.

Mr. WEITZ. And I gather the payment to you of \$5,000 on June 7, 1969—is this \$5,000 payment indicated by this check?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Am I correct in saying then that MPI paid for tickets to this dinner—this fundraising dinner?

Mr. NELSON. Yes, sir.

Mr. WEITZ. AMPI is a corporation—I am sorry, MPI made the payment. MPI at the time was a corporation?

Mr. NELSON. It was either AMPI or MPI.

Mr. WEITZ. This is MPI.

Mr. NELSON. Yes.

Mr. WEITZ. It was a corporation at that time?

Mr. NELSON. A cooperative; that is right.

Mr. WEITZ. Were you familiar at that time with a prohibition against corporate contributions to committees or political campaigns?

Mr. NELSON. Yes. Actually, we were or I was, but we did not view those dinners and that sort of thing as being—it is probably very naive on our part, but we did not view dinners as being political contributions, even though they were political in nature. I am not arguing the point with you. I am just telling you about the climate.

Mr. WEITZ. But you are aware that TAPE from time to time has purchased dinner tickets for fundraising dinners, and has reported it as a political contribution?

Mr. NELSON. That is right, that is right.

Mr. WEITZ. Did you discuss with anyone either before or after this dinner, other than what you have already told us, of your hope that your participation at this dinner would in some way lead to greater success to the administration?

Mr. NELSON. It probably was with several people. I do not recall any specific discussions, because it was a new experience for us to attend Republican fundraising dinners.

Mr. WEITZ. Did Mr. Harrison, to your knowledge, discuss, either with Mr. Harlow or anyone else, the possibility of access to the administration by the dairy people?

Mr. NELSON. He probably did, but I do not have any specific knowledge.

Mr. WEITZ. Why did you have Mr. Semer act on your behalf, either first with Mr. Mitchell, other than because of his original contact with him, and then with Mr. Kalmbach when you had hired Mr. Harrison, who was of the same political persuasion as the administration?

Mr. NELSON. Mr. Harrison was getting no place.

Mr. WEITZ. Who did he talk to?

Mr. NELSON. I do not know.

Mr. WEITZ. But he was attempting to reach people in the administration on your behalf?

Mr. NELSON. He was, yes, but we were not getting any place.

Mr. WEITZ. Do you know who he tried to contact?

Mr. NELSON. No, I do not know.

Mr. WEITZ. But he was trying to reach people on your behalf, and was not being successful?

Mr. NELSON. Mr. Harrison later was very effective because he became knowledgeable on a subject that requires a lot of expertise in dairy, insofar as support and imports and so forth were concerned. And he became very effective; he could write very effective memos, and do it with considerable expertise.

Mr. WEITZ. Now, you said that the reason the payment was made was that you hoped that as a result you gained greater access. In your deposition in the case of *Nader v. Butz*, I believe the date was sometime in February 1973, I believe.

Mr. NELSON. That is about right.

Mr. WEITZ. February 7, 1973, on page 4 and—pages 4 and 5 of your deposition, you were asked, "Did you feel that the establishment of a program of political contributions would give you access to elected officials?" And your answer was, "Not necessarily. I do not recall ever having had any great difficulty in getting access to an elected official."

Would you care to say that that did not apply to the administration in 1969?

Mr. NELSON. That is right. It did not apply.

Mr. WEITZ. It did not apply?

Mr. NELSON. It did not apply.

Mr. WEITZ. You felt you did have to indicate, through contributions, your willingness to support the administration in order to gain access to it?

Mr. NELSON. Well, we had not—you see, this is—here is the thing we had in 1969. We had gone all out to support Humphrey, and you know, we backed the wrong party. That is what it amounted to. Part of that time, we had had access, but we did not know anybody over there to talk to.

Mr. WEITZ. So, a contribution was ultimately made to the President's attorney and fundraiser, or an attorney who you assumed to be in that role, in order to gain access. And Mr. Nixon's next campaign was to be in 1972 to your knowledge?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Now, did there come a time later in 1969, when the matter of either reporting the contribution or otherwise reimbursing TAPE arose?

Mr. NELSON. You are talking about this particular transaction?

Mr. WEITZ. Yes; the \$100,000.

Mr. NELSON. I really do not know the details of this, but I believe the money was put back into TAPE out of corporate funds.

Mr. WEITZ. Well, let us step back a minute. Who brought this matter to your attention?

Mr. NELSON. It would have to be Mr. Isham.

Mr. WEITZ. He was responsible for the reporting requirements and the disbursement of money in TAPE?

Mr. NELSON. Either Mr. Isham or Mr. Lilly; I do not recall a specific instance.

Mr. WEITZ. Did you confer with Mr. Pierson about this?

Mr. NELSON. I have no independent recollection of that meeting. I have been told that Mr. Pierson came to San Antonio, that I picked him up at the airport, and met with Mr. Isham. And that he then returned, I believe, that same evening, I am not sure, to Washington.

Mr. WEITZ. Who told you of this?

Mr. NELSON. Mr. Sale?

Mr. WEITZ. Mr. Sale, of the Special Prosecutor's office?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Is that inconsistent with your recollection?

Mr. NELSON. No, no. It is not inconsistent. I just do not recall meeting in San Antonio. I knew that Mr. Isham was going to discuss this in the whole broad spectrum.

Mr. WEITZ. Did you not ask Mr. Pierson to come out to San Antonio in order to discuss the matter of future plans for TAPE and the reporting requirements?

Mr. NELSON. As I say, I remember that part, but I do not remember the meeting taking place in San Antonio.

Mr. WEITZ. When you asked him to come to San Antonio, was not your principal problem that of reporting or not reporting or somehow accounting for this \$100,000?

Mr. NELSON. Well, I am sure that was probably the biggest problem we had, but there were others, too.

Mr. WEITZ. That was the biggest problem?

Mr. NELSON. Insofar as I know.

Mr. WEITZ. Now, at the meeting with Mr. Isham and Mr. Pierson that you attended, do you recall what was discussed?

Mr. NELSON. No; that is what I say; I do not remember that meeting.

Mr. WEITZ. Have you ever seen this document, Lilly exhibit 2*, not necessarily all of the markings on it, but at least some of the markings?

Mr. NELSON. Yes; I have seen it.

Mr. WEITZ. Do you remember whether that document was drawn in your presence or shown to you at sometime in connection with the meeting with Mr. Pierson?

Mr. NELSON. It was shown to me by Mr. Sale.

Mr. WEITZ. You did not see it until that time?

Mr. NELSON. I do not recall having seen it.

Mr. WEITZ. That was what? In the last month or two?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And looking at that document does not refresh your recollection as to anything you might have discussed with Mr. Pierson, Mr. Isham, or Mr. Lilly, or any of the other gentlemen on that list, listed on the exhibit in connection with the reimbursement of moneys to TAPE?

Mr. NELSON. No; I knew that—you see, I do not remember that specific meeting, that is what I am telling you.

Mr. WEITZ. But in general, with respect to matters relating to reimbursement, do you remember discussions what might have taken place over a period of several days, for example, or a month with respect to reimbursing TAPE for the \$100,000 withdrawal?

Mr. NELSON. Yes.

Mr. WEITZ. All right. Can you take it one at a time? Do you remember what you talked about with Mr. Pierson?

Mr. NELSON. You see, I do not remember explicitly talking with Mr. Pierson about this. My conversation would be mostly with Mr. Lilly.

Mr. WEITZ. All right.

Do you remember what you discussed with Mr. Lilly?

Mr. NELSON. With Mr. Lilly, about getting contributions from people who were associated with us, in order to reimburse TAPE for the money that had been taken out of there.

Mr. WEITZ. Now, the persons listed on Lilly exhibit 2—"DeVier Pierson, Joe Long, F. Master, S. Russell, Jim Jones, Dick McGuire, Cliff Carter, Ted van Dyk, Gary Evat," with a question mark—and then under that, "expense advances, Lilly, Parr, Anderson, Suttle"; do you recall anything with respect to conversations you had either with Mr. Lilly, Mr. Pierson, Mr. Isham with respect to any of these individuals that I have named?

Mr. NELSON. Well, the one that I specifically recall is with Mr. Pierson—I mean with Mr. van Dyk, because Mr. van Dyk—Lilly told me

*See Book 14, p. 5991.

that he had talked to Mr. van Dyk, and had obtained a contribution from Mr. van Dyk for it. Mr. van Dyk had billed Associated Milk Producers for the money, but he had then sent Mr. Lilly a withholding form on the money, which created a tax problem for Mr. Lilly.

Mr. WEITZ. We are getting ahead of ourselves. Let us stick to the preparation of this—the planning for the recoupment or the reimbursement to TAPE.

Do you recall any conversations with Mr. Pierson, Mr. Isham or Mr. Lilly with respect to setting up the mechanism or obtaining the moneys to reimburse TAPE for the withdrawal?

Mr. NELSON. I do not recall any specific conversation.

Mr. WEITZ. What do you recall with respect to this?

Mr. NELSON. Well, I recall that that was the system that was used.

Mr. WEITZ. Now, was it contemplated or discussed that AMPI could be billed and would pay the attorneys not only for out-of-pocket disbursement of Mr. Lilly, but also for excess taxes incurred?

Mr. NELSON. Yes, sir. Yes, sir.

Mr. WEITZ. And your understanding was that the money was to be repaid to Mr. Lilly, and Mr. Lilly was to borrow the money and repay TAPE, the \$100,000, and then be repaid by these various attorneys and consultants?

Mr. NELSON. Yes, that is right; and that TAPE—that AMPI would—that they would be billed for a sufficient amount to take care of the taxes.

Mr. WEITZ. Out-of-pocket expense plus taxes, out-of-pocket costs by paying Mr. Lilly plus their excess taxes by reporting that as income?

Mr. NELSON. That is right.

Mr. WEITZ. Now, all of the people that I have mentioned on this list, on Lilly exhibit 2, were then either attorneys, consultants or in the employ of AMPI?

Mr. NELSON. Well, let me look. I think that is right.

Mr. WEITZ. Why do you not go one-by-one, and just tell us what their position was?

Mr. NELSON. DeVier Pierson was an attorney. Joe Long was an attorney, Frank Masters was an attorney. And Stuart Russell was an attorney, and Jim Jones is an attorney, but he was employed actually to—he is also a journalist, and he actually put out the house organ.

Mr. WEITZ. The Dairyman's Digest?

Mr. NELSON. Yes, sir. He actually did that, and Dick Maguire is an attorney, and Cliff Carter, I have already said what he—

Mr. WEITZ. Right.

These were all people who were retained or who were in the employ of AMPI?

Mr. NELSON. That is right; Lilly, Parr, Anderson, Suttle were all employees.

Mr. WEITZ. What about Gary Evat?

Mr. NELSON. Well, the other day I did not recall about him or know, but Mr. Sale told me that he was a lawyer that worked in Mr. Jacobson's office in Austin.

Mr. WEITZ. How long ago? When did you first learn of that?

Mr. NELSON. When I talked to Mr.——

Mr. WEITZ. When do you recall first of learning of it?

Mr. NELSON. When I talked to Mr. Sale. I say I did not recall who Gary Evat is.

Mr. WEITZ. Now, there is a question mark listed next to his name.

Mr. NELSON. There are two question marks there.

Mr. WEITZ. Two question marks.

Do you know the reasons those question marks are placed there?

Mr. NELSON. No.

Mr. WEITZ. Now, at the top of the document, it indicates shorthand for check or cash to Bob Lilly. Do you know whether there was—whether he indicated any of those gentlemen listed how he should receive payment from them?

Mr. NELSON. No, Mr. Lilly would be the one who would have to tell you, which of them he got payments from, and how much, because they all did, all of them did business with Associated Milk Producers.

Mr. WEITZ. Now, the list, Lilly exhibit 2, indicates two separate columns of figures: one under 1969, totaling \$80,000; and then \$5,000 for each of the employees for a total of \$100,000; and then a separate list for 1970, a separate column of figures totaling \$80,000.

Now, was it contemplated that moneys would be paid to them in two installments totaling \$100,000 in 1969 and \$80,000 in 1970?

Mr. NELSON. Well, you would have to ask Mr. Isham about how he divided.

Mr. WEITZ. Did Mr. Isham—first of all, do you recognize the handwriting on the document? There appear to be two different handwritings: first of all, the column of names and figures.

Mr. NELSON. No. I tell you, you see, it has been so long since I have actually been associated with him; I would assume that this is Mr. Isham, but I would not want to say it is.

Mr. WEITZ. To your knowledge, Mr. Isham or Mr. Lilly, if they prepared such a document or at least followed through on the plans for reimbursement pursuant to your direction?

Mr. NELSON. Yes.

Mr. WEITZ. So, therefore, whatever is listed here, whatever—what in fact was done to pursue this plan was as a result of your meetings, or your authorization to reimburse TAPE?

Mr. NELSON. Absolutely.

Mr. WEITZ. Now, did you tell Mr. Lilly to borrow the money in order to reimburse TAPE before the end of the year?

Mr. NELSON. I do not recall having told him that, but I am sure if he did it, like I say, he did it because it was pursuant to his knowing that it was something I would approve of.

Mr. WEITZ. Did you talk to Mr. Jacobsen about the arrangement of the loan to Mr. Lilly?

Mr. NELSON. I am sure that Mr. Isham or I, one, would have talked to Mr. Jacobsen about it.

Mr. WEITZ. How much was Mr. Lilly making at that time? What was his salary?

Mr. NELSON. I cannot tell you. I can tell you approximately.

Mr. WEITZ. Approximately?

Mr. NELSON. I would say \$30,000 or \$35,000, but the money was borrowed, as I understand it, against a certificate of deposit that TAPE had there.

Mr. WEITZ. To secure the loan?

Mr. NELSON. Yes.

Mr. WEITZ. If this plan was put in effect and completed as contemplated at the outset, it would entail AMPI effectively covering for the initial \$100,000 contribution to Mr. Kalmbach?

Mr. NELSON. That is right.

Mr. WEITZ. Plus, perhaps as an additional, as this column indicates, excess money perhaps in the amount of \$80,000 for excess taxes to the individuals—

Mr. NELSON. That is right.

Mr. WEITZ [continuing]. Serving as conduits for the money to Mr. Lilly?

Mr. NELSON. That is right.

Mr. WEITZ. I would like to go through each of these individuals and see if you recall what contact you had or witness their involvement and discussions with them. First of all, DeVier Pierson, did you discuss this matter, either of the organization of the plan or his actual participation in the plan with him?

Mr. NELSON. I do not recall that I did, but I evidently did, because, you know, I was in the meeting. I do not recall. You see, I cannot tell you about any of these people, whether any of these specifically gave money or did not give money, or how much they gave.

Mr. WEITZ. You do not recall anything with respect to that?

Mr. NELSON. I do not recall anything with respect to amounts. I assume that some of them did and some of them did not.

I know that Stuart Russell billed for—Mr. Lilly got money from Stuart Russell, and that Stuart Russell billed and was paid, but I cannot tell you the amounts and so on. I know about Ted van Dyk, because Lilly brought it specifically to my attention when he mailed him a withholding form, or a reporting form.

Mr. WEITZ. You mentioned this before. Let us talk about Van Dyk. Did you talk to him before the payment was made?

Mr. NELSON. I do not recall that I did.

Mr. WEITZ. And what was your understanding of the transaction involving Mr. van Dyk and Mr. Lilly?

Mr. NELSON. Well, my understanding was that Mr. van Dyk—that Mr. Lilly got some money from Mr. van Dyk, and that Mr. van Dyk billed AMPI, and was reimbursed for the money that he had given to Mr. Lilly.

Mr. WEITZ. Did you approve any of the billings that came in, either from Mr. van Dyk or from anyone else?

Mr. NELSON. Yes, sir.

Mr. WEITZ. So whether or not you recall it now, at the time you would have been aware of excess billings from these various individuals?

Mr. NELSON. Yes, sir. Yes, sir.

Mr. WEITZ. And you knew that it was pursuant to the plan that had been worked out, at least in general terms with Mr. Pierson, Mr. Isham, and Mr. Lilly?

Mr. NELSON. Yes, that is right.

Mr. WEITZ. Do you remember speaking to Frank Masters about any of his involvement in this plan?

Mr. NELSON. I do not remember. I believe—I do not believe that I did. I think that would have been done by Mr. Lilly.

Mr. WEITZ. You had known Mr. Masters for a number of years, had you not?

Mr. NELSON. Yes.

Mr. WEITZ. And you do not recall him ever contacting you to ask specifically about this transaction or his involvement in the transaction?

Mr. NELSON. No, but if he had called me I would have told him to do what Mr. Lilly asked him to do.

Mr. WEITZ. Did you ever tell any of these individuals, including Mr. van Dyk or Mr. Russell or Mr. Masters, or anyone else, the purpose for which—the purpose for giving the money to Mr. Lilly?

Mr. NELSON. I do not recall their explicitly asking me. I assume that they knew, because I did state at board meetings on more than one occasion, that attorney's fees were high because they reflected the fact that some of these attorneys made political contributions, and that they had to be reimbursed on their taxes for them.

Mr. WEITZ. Do you recall which board meetings these were?

Mr. NELSON. One was in Las Vegas, Nev., and one was in Madison, Wis.

Mr. WEITZ. How do you recall those two meetings?

Mr. NELSON. Because it was kind of a donneybrook, and I will be honest with you, I had forgotten that until this whole Watergate thing started to explode, and you know, we got involved. And then I was reminded that I had on those two occasions made an issue of it.

Mr. WEITZ. When you told the board members of this, was there any further discussion or questions that ensued?

Mr. NELSON. No, not that I recall.

Mr. WEITZ. Do you recall whether any of the attorneys or other gentlemen on this list were present at those board meetings when you gave such an explanation?

Mr. NELSON. The two attorneys who would ordinarily be there, and I assume they were at these two meetings, were Mr. Russell and Mr. Masters.

Mr. WEITZ. Was Mr. Parr at the meetings?

Mr. NELSON. Ordinarily, yes; I cannot tell you—I am sure that he was at these two, but he may not have been at either one of them. My recollection is that he was. He was ordinarily at every board meeting. He did miss a few.

Mr. WEITZ. Did either Mr. Russell or Mr. Masters, after that meeting or any other time, ask you what you meant by that, or further inquire as to the purposes for which their money to Mr. Lilly was being put?

Mr. NELSON. No.

Mr. WEITZ. Did there ever come a time when Mr. Russell asked you about the purpose for the contributions, or what Lilly was doing with the money?

Mr. NELSON. Mr. Russell asked me—called me on the phone one time, and asked me—said that he had a request from Lilly for money, and what should he do about it, is my recollection. And I told him to check with Mr. Isham, and to do whatever Mr. Isham told him to do.

Mr. WEITZ. Why was he to check with Mr. Isham if the request came from Mr. Lilly?

Mr. NELSON. Mr. Isham was a comptroller.

Mr. WEITZ. Did it not really relate to whether or not he would be compensated for it, for the payment?

Mr. NELSON. Mr. Isham was a comptroller, and if—

Mr. WEITZ. Mr. Isham would not have been able to tell him, if I understand Mr. Isham's role, about the validity of the request or whether or not it was going to a particular candidate, or for what purpose it was going; but rather, whether or not he would be compensated for his billings to reflect that payment.

Is that correct?

Mr. NELSON. Well, Mr. Isham—Mr. Isham and Mr. Lilly, I think, enjoyed each other's confidence, I may be wrong about that. But I do not think that there was any question about that.

And my thought was, if he is calling to question whether Mr. Lilly should be given the money, Mr. Isham is a comptroller, if he tells—if Mr. Isham tells him to, he has got no question about getting his payment.

Mr. WEITZ. That is what he was concerned about?

Mr. NELSON. I am sure he was, yes. He did not express it at the time, but I am sure that is what—he wanted to make sure he could get his money.

Mr. WEITZ. Did he ask for your authorization?

Mr. NELSON. Well, in effect, he was when he was asking me what to do.

Mr. WEITZ. Did you not, in fact, tell him to call Isham and tell him it was OK with you?

Mr. NELSON. Well, I said, "Any time you get a request for funds from Lilly, if you have any question about it"—this is the effect of what I am telling him—"you do not need to check with me; check with Isham."

Mr. WEITZ. And tell Isham you are going to do it; is that right?

Mr. NELSON. Right, or ask him; ask him what he knows about it.

Mr. WEITZ. Did Isham ever ask you about any of these contributions, or any of these transactions?

Mr. NELSON. I am sure he did. I do not recall any explicit deal. He would not question Lilly, because he knew that—he did from time to time ask me about, or I would tell him.

Mr. WEITZ. Do you know whether any of the four employees—Lilly, Parr, Anderson or Suttle—participated in this plan?

Mr. NELSON. I know that—

Mr. WEITZ. To the extent of making payments to Mr. Lilly?

Mr. NELSON. Well, now, I do not know about their making payments to Mr. Lilly. You will have to ask Mr. Lilly about that. I do not know whether they made payments to Mr. Lilly or not. I know that some employee bonuses were paid, but I do not know whether the money went to Lilly, or whether it went to Isham, who in turn gave it to Lilly, or whether it went for some other political contribution.

Mr. WEITZ. Do you remember what year this was, or political candidates these were?

Mr. NELSON. I think these were for Hubert Humphrey.

Mr. WEITZ. And for the 1968 campaign?

Mr. NELSON. Yes.

Mr. WEITZ. So that had nothing to do with—that was not in 1969, forward to your recollection?

Mr. NELSON. That is my recollection. Now, there may have been some, but you would have to ask Mr. Isham about that, because I do not recall that.

Mr. WEITZ. Was Mr. Parr aware of this plan or this procedure whereby attorneys would receive—would pay moneys to Mr. Lilly for various purposes, and be reimbursed by AMPI?

Mr. NELSON. Yes.

Mr. WEITZ. Did you discuss this with him?

Mr. NELSON. You mean this specific?

Mr. WEITZ. No, either this original transaction or any subsequent transactions of a similar nature?

Mr. NELSON. Oh, yes. He knew about it. I do not know that he knew about that specific list or anything like that, but he knew that it was done.

Mr. WEITZ. And he knew the moneys were for various political contributions.

Mr. NELSON. Yes, sir.

Mr. DORSEN. Excuse me. Who was that you were talking about?

Mr. NELSON. Parr, P-a-r-r.

Mr. WEITZ. Now, you say you mentioned at several board meetings—you gave the explanation with respect to the high legal fees. Do you recall if Mr. Butterbrodt was at that meeting, those meetings?

Mr. NELSON. Yes, sir. He was.

Mr. WEITZ. And he was president of the board of directors at that time?

Mr. NELSON. Right.

Mr. WEITZ. What about Mr. Griffith, Preach Griffith, W. R. Griffith, who was chairman of the TAPE committee and a board member?

Mr. NELSON. No, I would not be positive that Mr. Griffith was there because—I think he was, you understand, but he—you would have to look at the minutes to determine that because he did not attend every board meeting.

Mr. WEITZ. Were there any other occasions in which you either know of or had direct conversations with Mr. Griffith about the original transaction or similar transactions?

Mr. NELSON. No, I did not have any explicit conversations with him. Mr. Lilly would be the one who would have that.

Mr. WEITZ. Do you know whether he knew of these types of transactions?

Mr. NELSON. I assume that he did.

Mr. WEITZ. Do you base that on any facts or understandings of any transactions in which he either participated directly, or had knowledge of them?

Mr. NELSON. Well, I would not have personal knowledge of those. Mr. Lilly would be the one who would know.

Mr. WEITZ. Did you not, with respect to a contribution in the 1970 campaign, know of the participation of Mr. Griffith with respect to a cash contribution?

Mr. NELSON. Yes, but, you see, I did not handle that directly with Mr. Griffith. As I say, Mr. Lilly would be the one.

Mr. WEITZ. I see.

Do you know whether Mr. Griffith was aware of such a contribution through the same type of transaction?

Mr. NELSON. Well, it is my understanding that he certainly did. I am saying that I did not handle it.

Mr. WEITZ. I see.

Now, with regard to Mr. Jones, were you aware, based on anything that you know of, that he knew of the type of transaction that was involved, these types of transaction?

Mr. NELSON. No. You would have to talk to Bob Lilly about that, because I did not deal with Jim Jones directly on that either.

Mr. WEITZ. Did Mr. Jones ever talk with you about this contribution in the 1970 campaign that involved—that was effected through such a transaction?

Mr. NELSON. What contribution are you talking about?

Mr. WEITZ. Well, it is a particular contribution to a congressional candidate from a Midwest State in 1970, that involved a cash contribution, the funds for which were generated through this type of transaction.

Mr. NELSON. Yes, I believe—now, I could be wrong about this, but it seems to me he talked to me about the fact that he knew that Mr. Griffith had been involved in this sort of a contribution.

Mr. WEITZ. That involved corporate funds that had been funneled through attorneys or consultants?

Mr. NELSON. Well, I do not recall the specifics, but he was aware—

Mr. WEITZ. But that was the transaction?

Mr. NELSON. That was the transaction.

Mr. WEITZ. You were aware of the transaction, were you not?

Mr. NELSON. Yes, but as I say, I did not deal with Mr. Griffith myself on that transaction.

Mr. WEITZ. But Mr. Jones indicated to you that he knew of the transaction?

Mr. NELSON. As I recall, I believe he called me on the phone and made some reference to that.

Mr. GALLMAN. Is that a Congressman from Oklahoma?

Mr. NELSON. Yes. I do not recall that he knew that they had made a contribution to this other man.

Mr. WEITZ. Now, did there come a time in 1970 when you met with Mr. Colson and Mr. Gleason and others with respect to contributions, cash contributions, or TAPE contributions to the 1970 campaign?

Mr. NELSON. Yes. My recollection is that the—I believe we just met with Mr. Gleason once or twice. It might have been another time, but then we met with Mr. Colson.

Mr. WEITZ. In 1970?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Was there any discussion—was Mr. Gleason also present?

Mr. NELSON. Now, I can be wrong about this, but I do not believe Mr. Gleason was ever present when we met with Mr. Colson.

Mr. WEITZ. Was Mr. Kalmbach ever present when you met with Mr. Gleason?

Mr. NELSON. I do not believe so.

Mr. WEITZ. Now, your meetings with Mr. Gleason just related to the 1970 campaign or did it relate to the Presidential—any contributions to the President or the Presidential campaign?

Mr. NELSON. I cannot really recall, but it seems to me that we met with Mr. Gleason either shortly after or shortly before Mr. Dent, and that we only met with Mr. Gleason once or twice.

And then as I recall, we never met with Mr. Gleason any more.

Mr. WEITZ. Now, what was the substance of the meeting with Mr. Gleason?

Mr. NELSON. Well, we were talking about what we—whatever problems were pressing at the moment, and there may have been some discussion about, you know, our desire and ability to make contributions. But I do not recall ever getting down to anything.

It just seemed to me that Mr. Gleason was more or less pushed aside as far as we were concerned, or he just sort of faded away.

Mr. WEITZ. Now, I am still trying to pin it down, whether this meeting had anything to do with Presidential contributions, or was it solely 1970 campaign contributions?

Mr. NELSON. With Gleason?

Mr. WEITZ. Yes.

Mr. NELSON. I believe it was just 1970.

Mr. WEITZ. Now, in that connection, I would like to show you a letter, dated November 2, 1970, from Mr. Harrison to you; it is exhibit 1 to Mr. Harrison's testimony.*

Do you remember that letter? Have you ever seen a copy of that letter?

Mr. GALLMAN. This is long-winded. What is the point of it? Can you say?

Mr. WEITZ. Well, first I am asking Mr. Nelson if he recalls the letter.

Mr. NELSON. No, I really do not. I would like to read it since you are asking me about it.

*See Book 14, p. 6282.

Let us say I do not recall it after having read up through paragraph 3. I am now at 4. [Pause.] I do not recall having gotten that letter.

Mr. WEITZ. Now, with respect to page 2, paragraph 4 of the letter, at the bottom of the page, there is a sentence which says—it was talking in advance of this about contributions and political campaigns and some embarrassment that may accrue from making contributions to opposing candidates.

Consequently, it would be my strong recommendation that TAPE and/or other like organizations contribute only to candidates who are opposed, and let sources which can contribute in cash and without the risk of publicity do the contributing to those candidates who are unopposed.

My question is, do you know what source Mr. Harrison was referring to?

Mr. NELSON. No.

Mr. WEITZ. Did you ever discuss with Mr. Harrison the possibility or the actuality of cash contributions by TAPE or any one on behalf of TAPE or AMPI?

Mr. NELSON. I do not recall that we did.

Mr. WEITZ. Did you discuss with him this letter or any matters contained in the letter?

Mr. NELSON. Oh, yes. I did not discuss the letter with him, but I recall at the time that he was upset because he did not know that we were supporting an opponent of Page Belcher.

Mr. WEITZ. But you never discussed with him the impossible availability of cash for political contributions?

Mr. NELSON. I do not believe we did with him.

Mr. WEITZ. Do you have any idea what lead him to make that remark in that letter?

Mr. NELSON. Well, the way I interpreted the letter was that he was talking about just people other than us.

Mr. WEITZ. But why in cash? You could make a contribution by check, I take it?

Mr. NELSON. Yes.

Mr. WEITZ. And if you were not reimbursed by AMPI, that would be—you would not have to report the contribution, as a personal contribution.

Why would you have to make it in cash then?

Mr. NELSON. I do not know.

Mr. WEITZ. You have no idea what he was referring to?

Mr. NELSON. No; I really do not.

Mr. WEITZ. And to your knowledge, you never discussed with him any of the transactions involving AMPI's attorneys or Bob Lilly, that involved cash or other unreported contributions?

Mr. NELSON. Not that I recall.

Mr. WEITZ. And you never discussed with him the possible use of corporate funds for certain political contributions?

Mr. NELSON. No; I believe all of the discussions we had with him, I think, were concerning TAPE funds.

Mr. WEITZ. Did you ever discuss with him the possibility of TAPE making unreported cash contributions?

Mr. NELSON. I do not believe so.

Mr. WEITZ. Are you aware of any cash that was delivered to James Gleason by anyone—or Jack Gleason—on behalf of AMPI in 1970?

Mr. NELSON. No, I have been asked that before, and I do not recall any delivery of cash to Gleason.

Mr. WEITZ. Do you recall any request or anything about, or discussion about such a transaction, whether or not you recall the actual transaction?

Mr. NELSON. No; I do not. As I say, I was asked that recently.

Mr. WEITZ. In 1970, did you coordinate the contributions being made by TAPE with the contributions being made by the other two co-ops, by ADEPT and by SPACE, by their political trusts?

Mr. NELSON. Did I personally do it, you mean?

Mr. WEITZ. Were you aware of coordination, or did you ever see such coordination?

Mr. NELSON. No; I would not say that I ever saw it, but I was aware of it.

Mr. WEITZ. Who actually carried out the coordination?

Mr. NELSON. It would be more Mr. Parr who did more of that. I participated in it, and had discussions, but I did not really—I do not know what you really mean by “coordination.”

Mr. WEITZ. Well, actually talking to other people and being told what they were giving, and telling them what you were giving.

Mr. NELSON. Well, I think there was full and open disclosure among the three about who was giving what, and we discussed about how much can you give, and what you will give, and who it should be given to.

Mr. WEITZ. Now, with the formation of Avery Associates and then ADEPT in 1970, a \$8,500 loan was made from TAPE to ADEPT. Do you remember that transaction?

Mr. NELSON. I have been asked about that.

Mr. WEITZ. And you recall the transaction?

Mr. NELSON. I was thinking that there was two or more loans, but—

Mr. WEITZ. I am asking, in 1970?

Mr. NELSON. I believe—I may be wrong about that. I recall that we did make a loan from TAPE to—that was to Mid-America Dairy-men's political arm.

Mr. WEITZ. Yes; do you know the reason for that loan?

Mr. NELSON. Well, they wanted to make a contribution, and I guess they did not have the money for it at the time.

Mr. WEITZ. Was this a contribution that either you or they had promised to Mr. Colson or Mr. Gleason would be made shortly?

Mr. NELSON. I do not recall what the contribution was. If you can tell me what it was, I can tell you.

Mr. WEITZ. Did you meet with Mr. Kalmbach in 1970 with respect to the 1970 political contributions—with respect to the 1970 campaign?

Mr. NELSON. Well, we met with Mr. Kalmbach in an effort to get them to give us the names of committees to which we could make these contributions.

Mr. WEITZ. Who else did you meet with at that meeting?

Mr. NELSON. Well, there was a Tom Evans, and Marion Harrison.

Mr. WEITZ. Was Mr. Parr there?

Mr. NELSON. I believe Mr. Parr was there, and Mr. Colson was there for just—I am not sure about Mr. Parr being at that particular meeting. I believe he was, but Mr. Colson was there for just a short time.

As I recall that meeting, Mr. Harrison and I had been over to the Secretary's office. I do not remember whether we saw him.

Mr. WEITZ. What Secretary?

Mr. NELSON. Of Agriculture.

Mr. WEITZ. Mr. Hardin?

Mr. NELSON. Yes; and I do not know whether we saw Mr. Hardin or somebody else there that day. We might have seen the Under Secretary or the Assistant Secretary. Any way, this meeting was in the Madison Hotel.

And when we got back, Mr. Colson was in the meeting, but he could not wait, and he had his hat on and was about to leave.

Mr. WEITZ. What was the purpose of the meeting?

Mr. NELSON. To obtain the name of committees to which we could make contributions.

Mr. WEITZ. To the President?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Was Mr. Hillings also there?

Mr. NELSON. He may have been in that meeting.

Mr. WEITZ. Pat Hillings was an attorney of counsel to the firm of Reeves and Harrison at that time?

Mr. NELSON. Right.

Mr. WEITZ. You knew Mr. Hillings?

Mr. NELSON. I knew him about the same time, or after I met Mr. Harrison.

Mr. WEITZ. So the purpose of the meeting was to discuss the organization of committees to receive contributions for the President's reelection?

Mr. NELSON. Yes, sir.

Mr. WEITZ. How many committees were contemplated, or requested, or discussed?

Mr. NELSON. Well, we indicated to them that if they would give names of legitimate committees, that we would make the contributions.

Mr. WEITZ. How many committees?

Mr. NELSON. Well—

Mr. WEITZ. Ten, a hundred, several hundred?

Mr. NELSON. It would be more like several hundred committees.

Mr. WEITZ. Several hundred committees?

Mr. NELSON. Yes.

Mr. WEITZ. What total amount did you contemplate contributing, or did you tell them you would contribute?

Mr. NELSON. Well, we did not tell them any specific amount; at various times, \$1 million, \$2 million, or even more money was discussed. And had they given us the names of the committees, they could have gotten much more money from us.

Mr. WEITZ. When you say \$1 million, \$2 million or more was discussed at various times, who discussed it? Did you discuss it with some individuals, or did you—

Mr. NELSON. These would just be amounts that would be thrown out about the—

Mr. WEITZ. Yes. Did you hear those amounts discussed, or did you, yourself, discuss those amounts?

Mr. NELSON. Ordinarily, I would not be the one to mention those amounts.

Mr. WEITZ. Who did?

Mr. NELSON. Mr. Parr.

Mr. WEITZ. In your presence?

Mr. NELSON. He has mentioned those amounts in my presence; yes.

Mr. WEITZ. Who else was present at any of the times that Mr. Parr mentioned those amounts?

Mr. NELSON. Mr. Colson.

Mr. WEITZ. Mr. Colson. Was it at this meeting in 1970, for example?

Mr. NELSON. I do not recall it being at that meeting. Everybody knew that they had demonstrated their—to me, it is an unfathomable thing—inability to come with a list of committees.

Mr. WEITZ. Well, how early—was this the first meetings when you raised the first possibility of committees being organized, or had you asked for these committees earlier?

Mr. NELSON. We had asked for these committees earlier.

Mr. WEITZ. How much earlier?

Mr. NELSON. I cannot tell you when it would be.

Mr. WEITZ. 1969?

Mr. NELSON. No, I do not recall in 1969, but among the first meetings we had with Mr. Colson we asked for committees.

Mr. WEITZ. When was the first time you met with Mr. Colson?

Mr. NELSON. Let us say, we may have met with him in 1969, but if not, it was certainly early 1970.

Mr. WEITZ. And at one of the first or early meetings, you mentioned that you wanted to make contributions and wanted the names of committees?

Mr. NELSON. Yes, sir. We sure did.

Mr. WEITZ. Did you mention the contribution in 1969, the \$100,000?

Mr. NELSON. No, that was never mentioned.

Mr. WEITZ. Why in that case did you ask for—in 1970—did you ask for committees when you did not insist on committees in 1969 from Mr. Kalmbach?

Mr. NELSON. Well, it was an entirely—we did not have anybody to talk to.

Mr. WEITZ. Well, you have Mr. Kalmbach.

Mr. NELSON. No, we did not have him. We had not talked to him at all.

Mr. WEITZ. Well, Mr. Semer talked to him on your behalf?

Mr. NELSON. Yes, Mr. Semer said he wanted \$100,000.

Mr. WEITZ. Why did Mr. Semer ask for committees from Mr. Kalmbach?

Mr. NELSON. I do not know.

Mr. WEITZ. He was acting on your behalf, was he not?

Mr. NELSON. Yes.

Mr. WEITZ. Did you ever ask Mr. Semer to ask for committees?

Mr. NELSON. No.

Mr. WEITZ. But the first time you met with Mr. Colson, or the first time to discuss contributions, you asked for committees?

Mr. NELSON. Yes.

Mr. WEITZ. Was Mr. Semer present?

Mr. NELSON. I do not believe Mr. Semer was.

Mr. WEITZ. Was Mr. Harrison present?

Mr. NELSON. I think Mr. Harrison was.

Mr. WEITZ. Did he arrange the meeting?

Mr. NELSON. It is my understanding on my recollection that Mr. Harrison arranged the meetings that we had with Mr. Colson.

Mr. WEITZ. And what was the purpose of these meetings with Mr. Colson?

Mr. NELSON. Well, the purposes of the meetings was to press our position on such things as price support, imports, that sort of thing.

Mr. WEITZ. What relation did that have to contributions?

Mr. NELSON. Well, I do not know. I can tell you how it appeared to us. Mr. Colson was represented to us as being the man who was more or less in charge, insofar as the White House was concerned, with contact with trade associations. And they viewed us as somewhat in that category, apparently.

And we wanted to educate Mr. Colson on our position concerning these matters, so that we would have a friend in court, so to speak.

Mr. WEITZ. And in what connection was the matter of contributions discussed?

Mr. NELSON. Well, the matter of contributions was discussed on the basis that we wanted to support the President, that we knew we had not in the past, that we wanted to, we had the ability to; and if they would come up with the names of committees, we would go forward and do it.

Mr. WEITZ. Why did you tell Mr. Colson this?

Mr. NELSON. It was our understanding that he also had something to do with fundraising.

Mr. WEITZ. He was certainly aware, was he not, of your intention to contribute, and in fact of your contributions? Is that your understanding?

Mr. NELSON. Yes, sir; no question about that.

Mr. WEITZ. Did he raise the matter of contributions with you?

Mr. NELSON. Well, he discussed the matter of contributions with us. I will say this, I think in order to be fair we would have to say that they did not come seeking us, we sought them, because it appeared that we were not going to get any place if we did not.

Mr. WEITZ. Was this a continuation of your efforts from 1969 to gain an audience and to retain access to administration officials?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did you view your contributions to the President, or your intended contribution to the President, as part of that effort?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Now, what did Mr. Colson say to you in these earlier meetings in 1970, when you asked him for names of committees? Did he tell you who to contact, or did he provide committee names to you?

Mr. NELSON. No. It was left that he would see what he could do. He did not say who or what or when or where. It was just left that he would see what he could do, and more or less in the posture of, you will hear from me.

Mr. WEITZ. Did you also try to work through Mr. Colson to obtain the President's appearance at your annual convention in 1970?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did the President attend?

Mr. NELSON. No.

Mr. WEITZ. Secretary Hardin attended, did he not?

Mr. NELSON. Yes.

Mr. WEITZ. And the President called you, called the convention while it was in progress?

Mr. NELSON. He called me and talked to me just as we were about to convene the meeting.

Mr. WEITZ. Was it your hope that by making contributions as early as 1970, you would be able to obtain the President's appearance at your first annual convention?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did you convey that to Mr. Colson?

Mr. NELSON. Well, we conveyed it to Mr. Colson more in the aspect that it was, of course, it was something that we desired, but that it was a highly desirable thing, politically for the President, to appear before this large group of farmers; and that it would be politically advantageous for the President to do it.

Mr. WEITZ. And did you feel that your announcement or intention to make large contributions would assist you in obtaining his presence or his cooperation and his favor?

Mr. NELSON. Yes.

Mr. WEITZ. Who arranged for the meeting in—when was the meeting that we were discussing with Mr. Kalmbach, Mr. Evans, Mr. Colson and so forth in 1970? Do you recall?

Mr. NELSON. No.

Mr. WEITZ. Was it after the November election, sometime in November of 1970?

Mr. NELSON. I do not really recall. It just seems to me it was before, but it may have been after.

Mr. WEITZ. Sometime in 1970?

Mr. NELSON. Yes.

Mr. WEITZ. Did Mr. Parr at that meeting mention \$1—\$2 million or more amounts?

Mr. NELSON. As I say, I am not real sure Mr. Parr was in that meeting; and if he did, I do not recall it coming up there. This was more a discussion of lawyers about how are we going to get these committees named, and saying, you have not furnished us with these committees.

Mr. WEITZ. And what was resolved at the meeting?

Mr. NELSON. Nothing; the end result was—it was resolved they were going to give us the names of the committees.

Mr. WEITZ. What did Mr. Colson say at the meeting?

Mr. NELSON. Mr. Colson was about to leave, he had his hat on and was putting his coat on when we got back over there.

Mr. WEITZ. Where did the meeting take place?

Mr. NELSON. In the Madison Hotel.

Mr. WEITZ. In someone's suite?

Mr. NELSON. Yes.

Mr. WEITZ. Whose suite?

Mr. NELSON. I am not sure, but I believe it was mine.

Mr. WEITZ. But you arrived just as Mr. Colson was leaving?

Mr. NELSON. Yes.

Mr. WEITZ. How did Mr. Colson get in, or arrive?

Mr. NELSON. Well, the others were there. Mr. Harrison and I had been over at the Secretary's office.

Mr. WEITZ. Mr. Hillings was waiting for you with Mr. Kalmbach, Mr. Evans, and Mr. Colson?

Mr. NELSON. I am sure Mr. Evans was there. I am sure Mr. Kalmbach was there. I am sure Mr. Colson was there for a short time.

I am not real sure that Mr. Hillings was in there. He may have been.

Mr. WEITZ. What did Mr. Kalmbach say about the contributions and the committees?

Mr. NELSON. Well, he was—it seemed to me that he was in the posture of relying on these other people to get the names of the committees; that he had more or less done what he was supposed to, he performed his function insofar as the deal was concerned, when he brought it to their attention that committees needed to be named.

Mr. WEITZ. What deal?

Mr. NELSON. Of getting the committees. He was in the posture of having said that I will get the names of committees.

Mr. WEITZ. And what was Mr. Evans' role there?

Mr. NELSON. Mr. Evans' role was—he was in the role of supposed to come up with committees, as I read it.

Mr. WEITZ. And you say several hundred committees is what you had in mind?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did you communicate that to them?

Mr. NELSON. Yes.

Mr. WEITZ. Did you know how much would be contributed to each committee?

Mr. NELSON. Well, I was thinking at the time, I believe, it was either \$2,500 or \$5,000. I believe it was \$2,500.

Mr. WEITZ. So several hundred committees might entail at least several hundred thousand, or as much as \$1 million?

Mr. NELSON. Yes, sir.

Mr. WEITZ. \$5,000 a committee would entail more?

Mr. NELSON. Right; not necessarily, it would just entail more committees.

Mr. WEITZ. And more contributions?

Mr. NELSON. Well, either way; you could have fewer numbers of the committees and \$2,500, or more committees, and \$5,000.

Mr. DORSEN. No, it is the other way around.

Mr. NELSON. Yes, it is the other way around. I misspoke myself.

Mr. WEITZ. The more money per committee, the fewer number of committees needed unless there was no limit set on the number of committees or the amount of contribution?

Mr. NELSON. That is right.

Mr. WEITZ. Do you recall any meetings in 1970 between you and Mr. Parr and Mr. Colson?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Could you tell us about those?

Mr. NELSON. Well, just like I have just described.

Mr. WEITZ. Those are part of the meetings you had as a series of meetings in 1970.

Mr. NELSON. This would take place in Mr. Colson's office.

Mr. WEITZ. And what was the purpose of those meetings?

Mr. NELSON. To press the position we were seeking to have adopted concerning supports, imports or whatever it would be at the moment, and to get the names of committees.

Mr. WEITZ. Was that discussed generally? Both items were usually discussed at each of these meetings?

Mr. NELSON. Yes, they were.

Mr. WEITZ. And was it at one or more of these meetings when Mr. Parr mentioned various goals, or amounts that might be contributed, \$1 million, \$2 million or more?

Mr. NELSON. Right.

Mr. WEITZ. Was Mr. Cashen present at any of those meetings?

Mr. NELSON. I do not believe. He may have been. It seems to me the few times I—you see, I am not sure.

Can we go off the record just a minute, just to get something straightened out?

Mr. WEITZ. All right.

[Discussion off the record.]

Mr. NELSON. I do not recall. He may have been in on one or more of these discussions. It seemed to me that he was sometimes there just as the discussions began, and I do not recall him as being a real participant. I may be wrong about that.

Mr. WEITZ. Let me show you, and mark as exhibit 1 to your testimony, a letter from Pat Hillings to the President, dated December 16, 1970.

[Whereupon, the document referred to was marked Nelson exhibit No. 1 for identification.*]

Mr. WEITZ. Have you ever seen the letter or a copy of the letter?

Mr. NELSON. Yes, I have seen a copy of it.

Mr. WEITZ. Do you remember seeing the letter or knowing of the letter or its contents at the time it was—approximately at that time?

Mr. NELSON. The first I ever heard of that letter, as I recall, was when it was published.

*See p. 6701.

Mr. WEITZ. Now, let me ask you about a particular paragraph. In general the matter—the letter relates to quotas, which were then under consideration at the White House. The third paragraph of the letter reads as follows:

AMPI has followed our advice explicitly, and will do so in the future. AMPI contributed about \$135,000 to Republican candidates in the 1970 election.

We are now working with Tom Evans and Herb Kalmbach in setting up appropriate channels for AMPI to contribute \$2 million for your reelection. AMPI is also funding a special project.

Was it your understanding that you did follow, or did you follow the instructions of Reeves and Harrison with respect to contributions fairly explicitly?

Mr. NELSON. Yes, we did. The instructions, actually, were in the form of furnishing committee names.

Mr. WEITZ. Furnishing committee names; could you explain?

Mr. NELSON. They furnished the names of the committees.

Mr. WEITZ. Oh, they furnished the names and you made the contributions?

Mr. NELSON. Yes; those were the instructions.

Mr. WEITZ. Was it your recollection that AMPI or TAPE contributed \$135,000 in the 1970 campaign?

Mr. NELSON. I cannot—I would say at least that.

Mr. WEITZ. Did AMPI do that or was it TAPE?

Mr. NELSON. TAPE.

Mr. WEITZ. There were no corporate funds involved?

Mr. NELSON. I do not believe so.

Mr. WEITZ. Did this result from your meetings with Mr. Gleason and Mr. Colson?

Mr. NELSON. Yes.

Mr. WEITZ. Did you meet with Mr. Kalmbach in connection with those contributions?

Mr. NELSON. We met with Mr. Kalmbach initially, and then they would agree to furnish us committee names, when we bogged down and could not get the names of committees, then we would get—Mr. Kalmbach would come back on the scene in an effort to try to get somebody to give names of committees.

Mr. WEITZ. But in 1970, at this time, that was already the case? In other words, you had met with Mr. Kalmbach from time to time about obtaining committee names?

Mr. NELSON. Yes.

Mr. WEITZ. Now, the next sentence concerns setting up appropriate channels with Mr. Evans and Mr. Colson for the contribution of \$2 million. Was that a result of the meeting we talked about with Mr. Evans, Mr. Kalmbach, Mr. Colson and yourself and Mr. Harrison?

Mr. NELSON. What is the date of that letter?

Mr. WEITZ. The date of the letter is December 16, 1970.

Mr. NELSON. I would say that is right.

Mr. WEITZ. So this meeting we are talking about took place in 1970 before December 16. Do you recall how much in advance of the letter?

Mr. NELSON. No; I do not.

Mr. WEITZ. Do you recall if it was in the period when you were pressing for a reduction of import quotas?

Mr. NELSON. Probably, because we were pressing for that over quite a period of time.

Mr. WEITZ. I see.

That would not help you recollect the exact time of the meeting?

Mr. NELSON. No, no, because there is too much time involved there.

Mr. WEITZ. And does this refresh your recollection, the \$2 million was in fact discussed in the meeting with Mr. Colson, Kalmbach, and Evans?

Mr. NELSON. I am sure that—no, what I am thinking is that that is the date that had been discussed; you know, any amount had been discussed. I view that letter, really, as being an attempt on the part of Hillings to get something done, and this \$2 million is a figure that appealed to him, and so he adopted it.

I do not think the \$2 million was actually discussed at that meeting.

Mr. WEITZ. But was it not consistent? In fact, such a figure was to your recollection, in fact, discussed by Mr. Parr in the presence of Mr. Colson from time to time in 1970?

Mr. NELSON. Or even more, or even more.

Mr. WEITZ. Do you know what the reference is to a special project, "AMPI is also funding a special project"?

Mr. NELSON. No, I don't.

Mr. WEITZ. Were there any other projects, or any other contributions made to the Republicans, or the Republican fundraisers in 1970, or later, besides the committees provided by at the instance of Mr. Kalmbach and the Republican senatorial contributions campaigns in 1970? Do you know of any other contributions?

Mr. NELSON. There may have been, at the State level.

Mr. WEITZ. But you don't ascribe that to necessarily any significance or relationship between the contributions, and this project?

Mr. NELSON. No.

Mr. WEITZ. Did the special project have anything to do with Mr. Colson?

Mr. NELSON. No, not that I know—

Mr. GALLMAN. Just a minute. Wasn't that filling up the football field?

Mr. NELSON. Oh, the special project—oh, that wouldn't have anything to do with this. There was—he may have been referring to the fact that we did present to the board a plan to try to get all of agriculture involved, all organized agriculture involved, and actually have a big political rally and fill a place like Chicago Stadium or some similar bowl.

Mr. WEITZ. For the President?

Mr. NELSON. And have the President come and speak and we tried to sell it on the basis that, as well as other candidates too, not just limited to the President.

Mr. WEITZ. Was that ever undertaken?

Mr. NELSON. No.

Mr. WEITZ. When was that proposed?

Mr. NELSON. I don't know. That was a Parr idea and—

Mr. WEITZ. Did he propose it to Mr. Colson?

Mr. NELSON. I don't recall. He may have, I don't recall that. We did discuss it with the board.

Mr. WEITZ. Do you know who, or who it was intended, would receive this letter? Or who, in fact, received this letter in the White House—in the administration?

Mr. NELSON. No, sir.

Mr. WEITZ. Did Mr. Colson receive the letter, among others?

Mr. NELSON. I don't know, I don't know.

Mr. WEITZ. Did you ever meet and discuss this letter with Mr. Colson?

Mr. NELSON. No, sir.

Mr. WEITZ. You and Mr. Parr and Mr. Colson never talked about the intent or the effect of this letter upon his reputation and the White House?

Mr. NELSON. Not that I remember, no. I want to make sure I understand the question.

Mr. WEITZ. Any impact or comment on Mr. Colson, Mr. Colson's work in the White House? You knew of no such inference or any discussion you had with Mr. Colson, concerning the letter, or any inferences, negative inferences, on Mr. Colson?

Mr. NELSON. I don't recall ever having discussed that letter with Mr. Colson.

Mr. WEITZ. And you can ascribe no reason that Mr. Hillings or no explanation for an oblique reference in a letter from Mr. Hillings to the President, without Mr. Colson's understanding of it, or without ever having discussed it with Mr. Colson or any other representative of the White House?

Mr. NELSON. I am not following what you are asking me here.

Mr. WEITZ. In other words, Mr. Hillings writes the President and makes an oblique reference to a special project which you have no understanding of and you say you never discussed with Mr. Colson, Mr. Harrison, Mr. Hillings, or anyone, what was intended by this rather oblique comment?

Mr. NELSON. That's right. That's right, they never discussed that letter with me.

Mr. WEITZ. Now at that time, you were pressing for a decrease in import quotas for a number of products?

Mr. NELSON. [Nods affirmatively.]

Mr. WEITZ. What ultimately resulted? What ultimately resulted from your efforts, or what actually took place?

Mr. NELSON. The Tariff Commission met and actually imposed some quotas, and I can't give you the details—too much time has elapsed on several items—I mean recommended that the President issue a proclamation imposing such quotas.

Mr. WEITZ. Did he do so?

Mr. NELSON. He did not do so for quite a period of time.

Mr. WEITZ. Did he ultimately do so?

Mr. NELSON. He ultimately did so.

Mr. WEITZ. Did it meet with—generally accord with the industry's requests, or efforts?

Mr. NELSON. Well, it didn't go as far as the industry had requested, or would have liked it to go. It did cover some evasion practices as he mentions in his letter. The letter is a pretty good letter on this matter of the action of the President, that he took and the position that he was in at the time.

Mr. WEITZ. In connection with that, I have a press release which I will mark as exhibit 2.

[Whereupon, the document referred to was marked Nelson exhibit No. 2 for identification.*]

Mr. WEITZ. From AMPI, dated January 5, 1971, referring to the speech that Mr. Butterbrodt made with respect to the import quotas. Do you recall the speech which is summarized or referred to in that press release?

Mr. NELSON. No, I don't recall this specific press release if that's what you mean.

Mr. WEITZ. No, I asked—the speech.

Mr. NELSON. The speech?

Mr. WEITZ. Which is referred to by Mr. Butterbrodt?

Mr. NELSON. Oh, I don't think he made a speech, I think that—

Mr. WEITZ. It was just a statement for purposes of the press release.

Mr. NELSON. Just a statement. I don't believe it was a speech.

Mr. WEITZ. In the last portion of it he says, "President Nixon's decision was a step toward more stability in our market that will be remembered and appreciated by dairy farmers."

Mr. NELSON. Yes. Notice he also complains in there.

Mr. WEITZ. There was still an effort to gain low quotas on cheese?

Mr. NELSON. On lactose and cheese.

Mr. WEITZ. But as far as it went, there was general industry satisfaction, or satisfaction on the part of the people at AMPI with respect to the import quotas?

Mr. NELSON. Yes.

Mr. WEITZ. That was a matter that you had discussed with Mr. Colson, I take it?

Mr. NELSON. Yes; we discussed it with Mr. Colson—I'm trying to think of—but this is a matter that really involves a lot of expertise, these quota things, and we had a discussion with somebody else in the White House, over in the Executive Office Building, about this.

We had several, and I can't think of—I can't recall his name, it seems to me at one point we had a meeting with Mr. Peterson. I know we had a meeting, Dr. Mehren and I, and I believe Mr. Harrison, Mr. Parr, maybe met with Mr. Peterson.

Mr. WEITZ. Were contributions discussed?

Mr. NELSON. No.

Mr. WEITZ. Solely the import quota question?

Mr. NELSON. Right.

Mr. WEITZ. Did you meet with Mr. Chotiner during that period while he was still in the White House, with respect to import quotas?

*See p. 6703.

Mr. NELSON. We met with Mr. Chotiner. I don't—we may have discussed import quotas—I can't recall.

Mr. WEITZ. Do you know whether anyone was meeting with Mr. Chotiner, or discussing the import quota question with him while he was still in the White House, on your behalf?

Mr. NELSON. I think Mr. Harrison was.

Mr. WEITZ. I would like to mark as exhibit 3, for your identification, a letter from Henry Cashen to you, dated January 30, 1971.

[Whereupon, the document referred to was marked Nelson exhibit No. 3 for identification.*]

Mr. WEITZ. Do you recall receiving a copy of that letter?

Mr. NELSON. You know, I received the picture but I don't recall receiving this letter.

Mr. WEITZ. This reference to a briefing? What was involved in that briefing? Who attended the briefing and for what purpose was it held?

Mr. NELSON. Oh, I know what this was now.

I didn't receive these pictures. This was a briefing on—the President was adopting some sort of a—this may be totally wrong—it seems to me that it had to do with the President's announced intention of giving more of the funds used for social welfare programs and that sort of thing, to the municipalities—the States and municipalities instead of to the—instead of having the Federal Government control it.

And he held, over a period of 3 or 4 days, a series of what he called briefings, and they would call people in from all over the country who were representative of various segments of the economy and industry. And they had these things in the Cabinet room and they would have the—it seems to me like it was somebody, the Assistant Secretary of Treasury, or you know somebody from HEW, I forget—but anyway they would have you in there, have the Cabinet room about full. These people would make their pitch, and the President would come in and make about a 3-, 4-, 5-minute pitch on the thing, trying to build up support or acceptance, that's what this is about.

Mr. WEITZ. Did Mr. Colson or Mr. Colson's office arrange for your attendance at one of the briefings?

Mr. NELSON. Somebody did and I did attend.

Mr. WEITZ. Did anyone else from AMPI attend, or from any of the other dairy co-ops?

Mr. NELSON. I don't remember. There was someone there. I did see someone there from—it seems to me, like from the Farm Bureau and someone there from, you know, one or two other agricultural co-ops, I can't remember who, though.

Mr. WEITZ. Were there contributions in 1969, after the 1968 election, until the end of 1970, let's take that period of approximately slightly more than 2 years. During that period of time, were there any contributions, either by TAPE or by AMPI, through its attorneys and consultants, or by any other means, to any Democratic Presidential candidates for the 1972 campaign, for their Presidential campaigns?

*See p. 6704.

Mr. NELSON. From 1968 to 1970?

Mr. WEITZ. From the 1968 election to the end of 1970. Were there any contributions from TAPE or AMPI directly or indirectly, to 1972 Presidential candidates, for their Presidential campaign?

Mr. NELSON. From 1968 to 1970, I would say there were contributions—let me ask you this. When did—when was Hubert Humphrey's senatorial race?

Mr. WEITZ. Well, I believe he ran for the Senate in 1970.

Mr. NELSON. Well, we contributed to that.

Mr. WEITZ. And it was your understanding that those contributions, those were TAPE contributions or AMPI contributions?

Mr. NELSON. I believe that—you will have to check this out with Mr. Lilly, but I believe that those were AMPI contributions. I don't believe they were TAPE contributions. There may have been some TAPE contributions, too.

Mr. WEITZ. Now, those contributions, you don't recall the specific amounts or the specific transactions themselves?

Mr. NELSON. I don't recall any specific amounts.

Mr. WEITZ. Was it your understanding that those contributions by TAPE and AMPI were to the 1970 senatorial campaign of Mr. Humphrey, or were they also, or in part, to his 1972 Presidential campaign?

Mr. NELSON. Well, I think they were probably both. I don't recall the specifics of how it was divided up. I would say it was both.

Mr. WEITZ. I'm talking about just to the end of 1970, the 1970 elections.

Mr. NELSON. Well, to the end of 1970—I just believe they were for the senatorial, to the end of 1970 I'm just not sure.

Mr. WEITZ. Did you receive requests for those contributions, or were you aware how such requests were made or how such contributions came about?

Mr. NELSON. Yes.

Mr. WEITZ. Who made those requests?

Mr. NELSON. Well, those requests were made to me by Mr. Parr.

Mr. WEITZ. And you then communicated them to Mr. Lilly?

Mr. NELSON. Well, yes. And sometimes—there may have been some of those that were handled by Mr. Parr, too; I'm not sure.

Mr. WEITZ. What did Mr. Parr tell you about those requests?

Mr. NELSON. Well, he just told me, you know, he wanted to make the contributions.

Mr. WEITZ. Did he tell you who had asked him for the contributions? Who he was in touch with?

Mr. NELSON. Oh, I don't recall what he said at the moment. It would be somebody close to Senator Humphrey, somebody in his campaign.

Mr. WEITZ. Were there any reasons why those contributions, if they were made from AMPI funds, which is your recollection, why they were not made from TAPE?

Mr. NELSON. I would say that they didn't want to incur the enmity of the administration in power.

Mr. WEITZ. Were they made in cash?

Mr. NELSON. Well, you'll have to ask Mr. Lilly, about some—it seems to me that those contributions—I don't recall any cash contributions.

Mr. WEITZ. Now, still talking about this 2-year period until the end of 1970, were there any other contributions that were made by either TAPE or AMPI that you are aware of, or have heard about, that were made at the request of other administration officials?

Mr. NELSON. Other administration officials?

Mr. WEITZ. Yes. Federal administration officials.

Mr. NELSON. I thought you were talking to me about—made by other candidates, requests of other candidates?

Mr. WEITZ. Well, let's finish that before we get to this. You talked about Mr. Humphrey. Are there any other contributions in 19—the end of 1968, 1969, or 1970, to Presidential Democratic candidates, for their Presidential campaigns?

Mr. NELSON. Oh, yes. I can't give you the details on these; for instance, we made contributions to Wallace.

Mr. WEITZ. That was TAPE? Or was that AMPI?

Mr. NELSON. I don't recall whether it was TAPE or AMPI, but we did make contributions to his campaign.

Mr. WEITZ. What campaign was that in 1969 and 1970? His gubernatorial campaign, or his Presidential campaign?

Mr. NELSON. No, it must have been his Presidential campaign.

Mr. WEITZ. Any others that you can recall?

Mr. NELSON. I am sure that we made some contributions to Senator Muskie's campaign.

Mr. WEITZ. Senatorial, or the Presidential?

Mr. NELSON. Well, I'm sure it was Presidential; I could be wrong about that. I don't have a list of these things, you see, but I know that we supported Senator Muskie.

Mr. WEITZ. I'm talking about 1969, 1970 for the Presidential campaign.

Mr. NELSON. You're talking about 1969, 1970, for the 1972 Presidential campaign?

Mr. WEITZ. Yes.

Mr. NELSON. 1969 and 1970—it is hard for me to pin it down to those dates.

Mr. DORSEN. Maybe the thing to do is then—when we go into the Democrats, which we will do in greater detail—

Mr. SANDERS. Without limiting it to a specific period—

Mr. WEITZ. I just wanted to make it neater now. Maybe we had best return to this at a later time.

Mr. NELSON. All right.

Mr. WEITZ. Off the record.

[Discussion off the record.]

[Whereupon, at 1:05 p.m., the hearing in the above-entitled matter recessed, to reconvene at 2 p.m., the same day.]

AFTERNOON SESSION

Mr. WEITZ. Back on the record.

Now, Mr. Nelson, before our recess, I think I asked you about an attempt to gain the President's attendance at a convention, annual convention at AMPI in 1970, September of 1970, do you recall that?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And, as I understand it, Secretary Hardin did attend and speak to the convention?

Mr. NELSON. I don't believe he spoke.

Mr. WEITZ. He attended?

Mr. NELSON. He attended and sat at the speaker's table.

Mr. WEITZ. Now, who were you in contact with to try and have the President attend?

Mr. NELSON. Well, we were in contact with Mr. Harrison, Mr. Parr did not attend the meeting, he stayed in Little Rock the day of the meeting and I don't know who all he was contacting. I didn't personally make any contacts that day in connection with getting the President to attend. I had given up on his attending by then.

Mr. WEITZ. Before the day of the meeting, who had you—who did you, or on your behalf—

Mr. NELSON. Well, we were relying on Mr. Colson, as I recall, and of course Mr. Harrison.

Mr. WEITZ. Was any reason given to you why the President wasn't able to attend?

Mr. NELSON. Yes, sir. He said that he was at San Clemente with the President of Mexico.

Mr. WEITZ. Now, during the course of the convention, you received a telephone call from the President?

Mr. NELSON. I believe I earlier responded that we received a call, I received a call from the President, just as the convention was being convened.

Mr. WEITZ. Did you ask someone that he call, or how did it come about that he called you at the convention?

Mr. NELSON. No; I don't recall.

Mr. WEITZ. Did he ask for you specifically?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Had you ever met the President before that time?

Mr. NELSON. I don't believe I had.

Mr. WEITZ. Do you know how he obtained your name?

Mr. NELSON. Well, I'm sure through the people who were urging him to come to the meeting.

Mr. WEITZ. I see, including—

Mr. NELSON. And this may, or may not, be so. I feel sure that we had sent a written invitation, but maybe not.

Mr. WEITZ. What did the President tell you over the phone?

Mr. NELSON. The gist of it was that he asked me to express to the meeting his regrets at being unable to attend; to remind them that even though he hadn't—that he didn't have a farm background; hadn't

been reared on a farm as such, and so forth, he wasn't an agriculturist; that he was aware of their problem; he had been close to people who were in agriculture; that a matter of fact I believe he said that his original district as a Congressman from Orange County, that agriculture was an important economic segment of that county and that he had long demonstrated his concern in matters agricultural and that he had asked Secretary Hardin to announce favorable action on—I can't recall whether it was school lunch or school milk program—I believe it was school milk program and that he was going to announce it there that evening and also that he would like to attend our next meeting, the next annual meeting.

He also mentioned that Secretary Hardin had talked to him about having dairy leaders meet with him and that we would be hearing from him shortly to arrange such a meeting. That is the general gist of the conversation as I recall it. I put up the receiver and went back in and as soon as the meeting was convened, I reported that I had just had that conversation with the President.

MR. WEITZ. Had you discussed with Secretary Hardin, before that conversation, the desirability of a meeting between the President and dairy leaders?

MR. NELSON. As I recall, we had.

MR. WEITZ. Had you done it on a number of occasions, or just once?

MR. NELSON. Oh, I can't tell you.

MR. WEITZ. And was Mr. Parr—did he accompany you when you went to speak with Mr. Hardin about that matter?

MR. NELSON. As I recall, he did.

MR. WEITZ. Was Mr. Harrison with you?

MR. NELSON. I believe so.

MR. WEITZ. Anyone else that you can recall?

MR. NELSON. I don't believe there was anyone else.

MR. WEITZ. What other matters did you discuss with Secretary Hardin?

MR. NELSON. Oh, matters pertaining to the dairy industry in which we were interested.

MR. WEITZ. Now, do you recall meeting with the President at the White House shortly after the 1970 convention? I mean shortly thereafter, within a couple of weeks?

MR. NELSON. Yes, sir.

MR. WEITZ. Who met with the President?

MR. NELSON. Mr. Parr and I.

MR. WEITZ. How did that come about? Who arranged the meeting, and so forth?

MR. NELSON. I don't know. I believe we received the information from Mr. Harrison that we were going to be invited—this was pursuant to that telephone call, I mean made at the meeting, that was the followup.

MR. WEITZ. Did the President, or you, during the telephone conversation, indicate that you wanted to meet with the President? Or did he ask to meet with you very soon thereafter?

Mr. NELSON. He expressed—he was saying that—he referred to his conversation with Secretary Hardin and said that we would be hearing from him, as I recall he said we would be hearing from him very soon, or words to that effect.

Mr. WEITZ. But I thought you said that referred to a meeting between him and a number of dairy leaders?

Mr. NELSON. It did, but also, this meeting that you are now asking me about, I view as a preliminary to that other meeting.

Mr. WEITZ. Well you had met with Mr. Colson and kept meeting with Mr. Colson?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And with Secretary Hardin. Was it necessary as you understood it, for there to be a preliminary meeting with the President himself in advance of another meeting with the President?

Mr. NELSON. No; I didn't feel it was necessary.

Mr. WEITZ. Who arranged the meeting?

Mr. NELSON. I don't know. I would assume that Mr. Colson did.

Mr. WEITZ. And did you deal directly with Mr. Colson or through Mr. Harrison, with respect to attendance at that meeting?

Mr. NELSON. Oh, I don't recall. It seems to me we got a call from somebody at the White House who said that, you know, the President would see us on a given date at a given time and we went. Probably through Mr. Harrison.

Mr. WEITZ. Why did not Mr. Harrison attend the meeting?

Mr. NELSON. I assume he wasn't invited.

Mr. WEITZ. What was discussed at the meeting?

Mr. NELSON. As I recall the meeting, it was a very short meeting. The President, once again, told us that he had had good reports about the—you know, the meeting, we sure had a big meeting, and expressed his regrets at not having come; and kidded Dave Parr about having football shoulders, as I recall, or a football neck. And once again referred to the conversation he had had with Secretary Hardin about setting up a meeting of dairy industry leaders, and said that he wanted to do that as quickly as he could, and that was just about the sum and substance of that.

Mr. WEITZ. Did you indicate that you were supporters of the President, or that your group was a supporter of the President?

Mr. NELSON. I don't recall that I did at that time, I believe I responded on the telephone by telling him that there were—that we regretted that he wasn't there because he would have found a very friendly audience.

Mr. WEITZ. Did you mention, or were campaign contributions mentioned, in any way?

Mr. NELSON. No, not that I recall.

Mr. WEITZ. Did you discuss any dairy problems, or matters that were then pending?

Mr. NELSON. No, it wasn't that kind of a—it wasn't that kind of a meeting.

Mr. WEITZ. Could you tell us, turning now to the question of milk price supports for 1971, when the first effort began on the part of

AMPI to obtain an increase, by whatever means, for the 1971-72 marketing year?

Mr. NELSON. I can't tell you precisely. It would have begun months before in assembling data and projections, and that sort of thing, in support of favorable action.

Mr. WEITZ. When you say "months before," would it have been as early as late 1970, for example?

Mr. NELSON. Oh, yes.

Mr. WEITZ. And with whom did you, or representatives of the dairy people, meet with members of the administration?

Mr. NELSON. We met with Secretary Hardin, we met with Secretary Campbell—let's see, we met with Under Secretary Campbell, Secretary Lyng, Secretary—we talked with Mr. Colson.

Mr. WEITZ. Did you meet with all of those individuals?

Mr. NELSON. Yes.

Mr. WEITZ. Who was present at those meetings?

Mr. NELSON. The various people.

Mr. WEITZ. Was Mr. Parr generally present at those meetings?

Mr. NELSON. Generally, yes.

Mr. WEITZ. Mr. Harrison?

Mr. NELSON. Yes.

Mr. WEITZ. Mr. Hillings? Was Mr. Hillings present at all those meetings?

Mr. NELSON. Mr. Hillings may have been present one time when we met with Secretary Hardin, I don't really recall that he was, but I don't believe he was ever present when we met with any of those other people.

Mr. WEITZ. And at these meetings, you presented various data to them with respect to the position of the dairy co-ops?

Mr. NELSON. What you might call, mostly unwritten views and arguments, and also some written papers on the subject.

Mr. WEITZ. And did you, during this period late 1970, the first several months of 1971, mount an effort or organize to obtain congressional support?

Mr. NELSON. Yes, we did.

Mr. WEITZ. How did you go about doing that?

Mr. NELSON. Well, the congressional effort, you understand, wasn't an AMPI effort alone. The head of this was the National Milk Producers Federation which enlisted the aid of its—or attempted to enlist the aid of all of its members.

The prime movers in this effort, I would say, were AMPI, Mid-America, and Dairymen, Inc. Those were the prime movers. We also had, as I recall, one prime opponent to it, initially, and that was another cooperative Land O' Lakes, which is legally a cooperative, but has a different philosophical approach to the whole thing than these other marketing groups. And so this support was pretty widespread throughout the United States, as far as dairy cooperatives were concerned.

And their members, or representatives, would call on their respective Congressmen and Senators asking them to coauthor a bill setting the supports at 90 percent.

Mr. WEITZ. Now, what time period are we talking about? The first decision by the Secretary of Agriculture, not raising price supports, was March 12. Would you have begun this effort, let's say, a month or 2 months before that time?

Mr. NELSON. I would say at least that.

Mr. WEITZ. At least a month or 2 months?

Mr. NELSON. At least that.

Mr. WEITZ. So it would be fair to say that throughout the early part of 1971, the first 2½, 3 months of 1971, you were meeting both with representatives of the administration, and also with the various Congressmen and so forth, to obtain their support, in contracting whoever they felt was appropriate in order to try to obtain an increase, and also to perhaps solicit their support for a bill to raise the support level?

Mr. NELSON. You're talking about "you," you're not using the personal pronoun, you're using the whole collective effort? Yes, that's right.

Mr. WEITZ. Was it contemplated, let's say, in February or March 1971, that a bill would be, or you hoped, would be introduced into Congress to raise the support level?

Mr. NELSON. I believe it was before that.

Mr. WEITZ. So part of this whole strategy was both to approach the administration pretty much from the outset in obtaining an administrative increase if possible, but also to obtain congressional support and possibly congressional action?

Mr. NELSON. Yes.

Mr. WEITZ. Did you communicate your information, or the fact that you were making this effort, this congressional effort to anyone in the administration?

Mr. NELSON. I don't recall any specific communication, but it was no secret. There wasn't anything furtive about the effort with Congress. It was a well-known, well-publicized fact.

Mr. WEITZ. Let's go off the record.

[Discussion off the record.]

[A brief recess was taken.]

Mr. WEITZ. Mr. Nelson, I would like to mark as exhibit No. 4 a letter and an attachment from Marion Harrison to Secretary Hardin, dated January 14, 1971.

[Whereupon, the document referred to was marked Nelson exhibit No. 4 for identification.*]

Mr. WEITZ. Have you ever seen a copy of this letter or the attachment?

Mr. NELSON. I don't remember having seen a copy of it, but this last, this list of names on here, I believe pretty well—I think it pretty well reflects the list of people who were at that meeting.

Mr. WEITZ. Did you provide this list to Mr. Harrison?

Mr. NELSON. I don't recall having provided it to him. As I recall, he did ask me who we thought should be present, and we suggested names to him.

*See p. 6705.

I believe there is one person who attended that meeting—I could be wrong—whose name is not on there.

Mr. WEITZ. Who is that?

Mr. NELSON. That's what I was looking for. I believe Mr. Sullivan was there. They have Mr. Griffin there, and I think he was there. But I also believe Mr. Sullivan was there. I might be wrong.

Mr. WEITZ. Now, in January of 1971, when this letter was written, was it already known that there would be a meeting, or was it assumed there would be a meeting with the President sometime in the spring or sometime following—

Mr. NELSON. Well, that was the meeting I was telling you, that the President talked to us about having.

Mr. WEITZ. Right. But at that time, did he indicate when it would take place?

Mr. NELSON. Well, as I recall at that time we were thinking that it would occur much earlier than this.

Mr. WEITZ. I see.

Now, were you told in January of 1971, that the meeting was being planned, and these names had been provided to Secretary Hardin?

Mr. NELSON. I don't recall having been told they were provided to Secretary Hardin. I was thinking they had been provided to the White House.

Mr. WEITZ. You were told that? You were told they were provided to the White House?

Mr. NELSON. That is my recollection, that I was told they were provided to the White House.

Mr. WEITZ. Now, on the last page on the attachment on the list of names there is written in "Chotiner?"

Do you know the significance of that?

Mr. NELSON. I didn't notice that.

Mr. WEITZ. The very last page of the attachment.

Mr. NELSON. I—no, I don't know the significance.

Mr. WEITZ. Was there ever a question or did you know of any discussion with respect to whether Mr. Chotiner would attend the meeting with the President?

Mr. NELSON. No, I don't recall any discussion about whether he would attend.

Mr. WEITZ. Do you know when Mr. Chotiner left the White House?

Mr. NELSON. No, I don't.

Mr. WEITZ. Do you know whether Mr. Harrison was in contact with Mr. Chotiner before he left the White House in 1971 with respect to this meeting?

Mr. NELSON. I don't know about with respect to the meeting, but he was in contact with him with respect to matters pertaining to the dairy industry.

Mr. WEITZ. Was he in contact with him with respect to the price-support increase?

Mr. NELSON. Yes.

Mr. WEITZ. Did you attend any of those meetings?

Mr. NELSON. I met with Mr. Chotiner once in a small office at the White House. I believe it was either Mr. Harrison and I or Mr. Harrison and Mr. Parr and I.

Mr. WEITZ. And you discussed dairy price supports?

Mr. NELSON. I don't remember whether it was price supports or whether it was the import.

Mr. WEITZ. One of the two?

Mr. NELSON. One of the two and maybe both.

Mr. WEITZ. Was this in 1970 or 1971?

Mr. NELSON. I can't be sure about that.

Mr. WEITZ. It was in Mr. Chotiner's office, did you say?

Mr. NELSON. It was in an office in the White House.

Mr. WEITZ. And Mr. Chotiner was still a member of the White House staff?

Mr. NELSON. Yes. I don't recall when he left the White House.

Mr. WEITZ. Do you have any knowledge of any meetings between someone on behalf of AMPI and either Mr. Dent or Mr. Ehrlichman with respect to milk price supports in 1971?

Mr. NELSON. I have no knowledge of any. We met with Mr. Dent, but it seems to me that that was in 1970, and I have no knowledge, or I don't recall any meeting with Mr. Dent other than that one time.

Now, as far as Mr. Ehrlichman is concerned, I never had any meeting with Mr. Ehrlichman at any time.

Mr. WEITZ. Do you know whether anyone on your behalf did?

Mr. NELSON. No, I don't.

Mr. WEITZ. Did Mr. Harrison normally report to you with whom he was meeting?

Mr. NELSON. No, he just would report that he had certain information, or that he had talked—

Mr. WEITZ. Was he meeting with Mr. Colson in early 1971?

Mr. NELSON. I was under the impression that Mr. Colson was the man he met.

Mr. WEITZ. I see.

Now, you mentioned before that the contact with various congressional leaders and various Members of Congress was also part of the strategy in early 1971 to obtain a milk price-support increase, either legislatively or administratively. With whom did you meet?

Mr. NELSON. I met with Wilbur Mills and—as I recall—and this can be wrong—I may have met with Chairman Poage, and probably with Page Belcher, and I'm sure that I met with one or two or maybe more others, but not very many.

Mr. WEITZ. And the thrust of your meetings was to obtain their support in introducing legislation and also asking the administration to raise the price-support level?

Mr. NELSON. Yes.

Mr. WEITZ. And this was well in advance of the first decision?

Mr. NELSON. Oh, yes.

Mr. WEITZ. Months before, perhaps?

Mr. NELSON. Yes.

Mr. WEITZ. One or 2 months before, you said?

Mr. NELSON. Yes.

Mr. WEITZ. Who accompanied you to these meetings?

Mr. NELSON. Generally, Mr. Parr.

Mr. WEITZ. What about Mr. Lilly?

Mr. NELSON. I don't recall that Mr. Lilly accompanied me on these things. He might have.

Mr. WEITZ. What was Mr. Lilly's role during this period? Was he in contact with either Members of Congress or anyone in the administration on your behalf?

Mr. NELSON. Well, Mr. Lilly would have contacted Congressmen other than those I would be talking to in the main, and he would be working with people out in the various regions and divisions, getting them to talk to their Congressmen, and then going and talking to them.

Mr. WEITZ. Who from the other co-ops was actively engaged in the activities similar to yours?

Mr. NELSON. Well, there was a large number of people.

Mr. WEITZ. How about—let's say from Mid-America? Who would be the principal persons?

Mr. NELSON. Well, the principal person would be Gary Hanman.

Mr. WEITZ. What about Dairymen, Inc?

Mr. NELSON. Well, the principal person would have been Paul Alagia and Paul Westwater, and Ben Morgan and others. You understand, the way this was done, you brought in dairy farmers themselves to go talk to their Congressmen.

Mr. WEITZ. And they were also encouraged to write to their Congressmen?

Mr. NELSON. Yes.

Mr. WEITZ. And this was done well in advance of the first decision—January, February, March, all the way through that period?

Mr. NELSON. Yes.

Now, there were other—I don't mean to try to say that this was an effort exclusively by these three cooperatives. There were others, but I would say that I didn't consider them to be as effective because they didn't keep at it as far as getting their members in there to talk to these Congressmen and so forth.

Mr. WEITZ. Were there documents that were prepared and presented to either Congressmen or members of the administration?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Let me show you Townsend exhibit 3*, a document entitled "The Dairy Industry and the Public Interest: The Need for a Price Support Increase," dated February 24, 1971, and signed Associated Dairymen, Inc.

Mr. WEITZ. Have you ever seen that document?

Mr. NELSON. I'm sure I have if it was put out by Associated Dairymen.

Do you want me to take time to read this whole thing?

Mr. WEITZ. I'm not going to ask—

Mr. NELSON. If it's an Associated Dairymen document, I was the manager of Associated Dairymen also.

*See Book 14, p. 6332.

Mr. WEITZ. Who was responsible, to your knowledge, in preparing that document?

Mr. NELSON. Well, this would have been a joint effort, and I can just name a group of individuals whom I feel contributed to it. Or do you want to ask me?

Mr. WEITZ. All from AMPI?

Mr. NELSON. From AMPI it would have been—let's see—what's the date of this thing?

Well, I would say Dr. Mehren, Lynn Elrod, Tom Townsend, Joe Murphy, probably Arthur Miller.

You're talking about just from AMPI?

Mr. WEITZ. What about the other two co-ops?

Mr. NELSON. Well, it would not be the other two particularly. There would be—Associated Dairymen was made up of a broader spectrum than just the other two, so there would have been—let's see, probably Jim Reeves is another one I didn't name.

Mr. WEITZ. And others?

Mr. NELSON. And others, people who are primarily marketing specialists.

Mr. WEITZ. And did a document like this—or does that document generally reflect the arguments that were presented to the various Members of Congress and the administration during that period?

Mr. NELSON. Yes.

You understand I don't recall the document, but this is the sort of thing. It's labeled "Associated Dairymen." It would have been—I would have been familiar with it at the time.

Mr. WEITZ. Do you recall whether the matter of increased feed cost from the previous year was a matter that was pressed and raised in these various meetings as one reason for an increase in price supports?

Mr. NELSON. Ordinarily that would be one of the reasons raised.

Mr. WEITZ. In fact, if I may have the document back, I think I can show you a section which refers to that.

Mr. NELSON. All right.

Mr. WEITZ. And see whether that refreshes your recollection.

Beginning on page 9 of the document, Roman numeral III, the heading reads, "Despite recent milk price increases, average income to dairy farmers remains extremely low and dairy producers are faced with a continuing cost-price squeeze."

Is that the section—if you will look at it—that would refer to the question of prices, feed costs to farmers and their relation to prices?

Mr. NELSON. Here you have a table of milk feed price ratios in here.

Mr. WEITZ. So that would presumably cover the matter of increased feed cost?

Mr. NELSON. Yes.

Mr. WEITZ. Now, you've mentioned the contacts with officials in the Department of Agriculture and various Congressmen, and also in the White House, Mr. Colson among others, and perhaps Mr. Chotiner. Were you aware of any contacts that were being made on your behalf with Mr. Connally.

Mr. NELSON. Mr. Jacobsen.

Mr. WEITZ. Could you tell us what his contacts were with Mr. Connally during this period, during the period up to March, through March of 1971?

Mr. NELSON. Well, he would take a position paper to Mr. Connally, as I recall, and try to make him, or educate him on the facts surrounding the contentions we were making.

Mr. WEITZ. Do you know how many times he talked to Mr. Connally?

Mr. NELSON. I don't really know. I really don't know how many times.

Mr. WEITZ. Could you tell us how many times, let's say, before the first decision by the Secretary of Agriculture?

Mr. NELSON. I really can't tell you.

Mr. WEITZ. Did he report back to you about his meetings with Secretary Connally?

Mr. NELSON. I knew that he was having them. He told me that he was having the meetings with Secretary Connally.

Mr. WEITZ. Did anyone accompany him on those meetings?

Mr. NELSON. Not to my knowledge.

Mr. WEITZ. Did you ever have an opportunity, or did you ever discuss during February or March of 1971 with Mr. Jacobsen and others the desirability of committing or contributing additional moneys in order to secure Mr. Connally's assistance with regard to the milk price-support decision?

Mr. NELSON. I don't think that was a condition of securing his assistance. We were in this position, you understand, of already having expressed our willingness, what I view as repeatedly, to make contributions in much greater amounts than we had made, and we were in—I know it's hard to believe, but this is an absolute fact. They wouldn't come up with the committees. We couldn't believe it ourselves. But that is the position we were constantly in with these people.

Mr. WEITZ. Well, let me ask you this. Did you have a discussion with Mr. Jacobsen with respect to making additional contributions, whether or not—and at the same time you had discussed a meeting he had had with Mr. Connally, quite apart from whether one was antecedent or dependent on the other?

In other words, did you have discussions in which you discussed Mr. Connally's assistance, and in the same discussion discussed the need for or the desirability of making additional contributions?

Mr. NELSON. I don't recall that. Mr. Jacobsen was well aware of the fact that we had made these offers of contributions and had asked for names of committees, and that we didn't have them.

Mr. WEITZ. How was he aware of that?

Mr. NELSON. Because I had told him.

Mr. WEITZ. You told him specifically about the attempts in 1970 to obtain committee names, the attempt to contribute perhaps even \$1 million or \$2 million?

Mr. NELSON. I don't recall that we had told him about specific amounts, but we probably did. But I do recall having mentioned to him

that we couldn't get committees out of these people. We just couldn't understand why we couldn't get committees. And as a matter of fact, at the time I left the position of general manager, we were still trying to get names of committees.

Mr. WEITZ. Well, let me ask you this. I can understand that someone wants to show their support and appreciation.

If the candidate—in this case, on behalf of the President, the fund-raisers for the President are unable repeatedly upon your request to produce names of committees, which is the only legal way you are permitted to make such contributions in excess of \$5,000——

Mr. NELSON. Right.

Mr. WEITZ. Why did you constantly press for the names, if you had apparently fulfilled the need to appear to be very willing supporters of the President?

Mr. NELSON. I think that's a good question. "Constantly" is probably a little too strong a word.

Mr. WEITZ. Frequently.

Mr. NELSON. But continually or frequently.

Because—I will tell you why. Others may have had other reasons, but the main reason in the back of my mind was that it was well known that we were supporting the President, that we had conducted drives among dairy farmers and others, not only in TAPE but in other groups—ADEPT and SPACE and elsewhere—urging them to become involved politically, and talking about the fact that we would be called upon to give these large sums of money. And it was a constant thing in the back of my mind that if we didn't get the names of these committees we might be read off just because of some inept—for want of a better term I will say "bureaucrat"—within the party hierarchy not coming forth and giving us the names of the committees.

Mr. WEITZ. Did this also prevent you from obtaining more subscribers to TAPE, by having this large surplus in your account?

Mr. NELSON. Well, it's always——

Mr. WEITZ. Or did you think that was the case?

Mr. NELSON. Well, I don't recall having thought that at the time. Now it sounds like a very good reason. You see—but just to be candid with you, I don't believe that occurred to me at the time.

Mr. WEITZ. You didn't mind having a lot of money in the account, in the TAPE account, that had not been expended?

Mr. NELSON. Well, one reason for continuing—no, that wasn't the main reason. The main reason was——

Mr. WEITZ. And you never expressed that to anyone?

Mr. NELSON. Not that I recall. I don't believe that occurred to me. Then it may have, but if it did I have forgotten it.

The thing that occurred to me then was that in connection with these large amounts, that if you're going to make such contributions, it is much better to make them over a longer period of time than to go whomp, you know, and get a large amount of publicity over the fact that you are contributing. I've used that contention a lot in talking to these people about—get the names of the committees.

Mr. WEITZ. Was that discussed in the meeting with Mr. Evans and Mr. Kalmbach and Colson in 1970? That is, getting the committees so that contributions could begin and be made over a period of time?

Mr. NELSON. I don't recall discussing it in that meeting, but I recall discussing it in earlier meetings with Mr. Colson.

Mr. WEITZ. And that was one of the reasons why you were interested—if you were going to make a large contribution, you did not want to make it all at once so as to attract publicity?

Mr. NELSON. That's right.

Mr. WEITZ. Did Mr. Colson ever express displeasure to you or to anyone representing you with respect to the fact that you had not yet made any contributions other than in the 1970 campaign and in 1969?

Mr. NELSON. He wasn't in any position to do that because he hadn't produced the names of the committees. He was in no position at all.

Mr. WEITZ. Did he ever express his displeasure to you or to anyone? Are you aware of a displeasure he expressed with respect to the Pat Hillings letter which we referred to before as exhibit—just for the record it is identified as Nelson exhibit No. 1?

Mr. NELSON. No, I don't recall that at all.

Mr. WEITZ. Did he express displeasure with either Mr. Harrison or Mr. Hillings because of the letter?

Mr. NELSON. Not that I know of.

Mr. WEITZ. Were you ever told of that?

Mr. NELSON. The first I heard of that letter was when it became a matter of public knowledge.

Mr. WEITZ. Did he ever express displeasure with Mr. Harrison and Mr. Hillings, no matter what the reason? In other words, did it ever come to your attention that Mr. Colson was unhappy with Mr. Harrison or Mr. Hillings representing AMPI?

Mr. NELSON. No.

Mr. WEITZ. With respect to the administration—representing AMPI with respect to the administration?

Mr. NELSON. No, not to me. No.

Mr. WEITZ. Now, you mentioned that Mr. Jacobsen saw Mr. Connally. Did you say "several times," you believed, during this period, on the price-support question?

Mr. NELSON. That is the impression I am under, yes.

Mr. WEITZ. Did Mr. Connally say that he would talk to someone in the administration on your behalf to assist you?

Mr. NELSON. It was my understanding that Mr. Connally was going to attempt to use his ability, whatever it might be, to further the position we were taking.

Mr. WEITZ. Didn't Mr. Jacobsen tell you that it would be wise to commit additional moneys in addition to what had been mentioned before in order to assure yourself of Mr. Connally's assistance?

Mr. NELSON. Mr. Jacobsen knew—no, Mr. Jacobsen didn't tell me that because Mr. Jacobsen knew that we were prepared, if they would give us the names of committees—anybody that was, you know, under the proper auspices of the White House that gave us names of committees—we were prepared to make contributions.

Mr. WEITZ. Above and beyond what had been discussed, and above and beyond perhaps the intended timing at some later date.

There was no discussion of making contributions right away in a substantial amount as a good faith indication of your support in order to obtain, or because of, Mr. Connally's assistance on the price-support question?

Mr. NELSON. I don't recall any specifics of that. I may have said that myself, because I constantly made it known that I was unhappy with the fact that we couldn't get names of committees.

Mr. WEITZ. Did Mr. Connally talk to anyone in the administration on your behalf or on the price-support question?

Mr. NELSON. Well of course, you have to ask Mr. Connally that.

Mr. WEITZ. Are you aware of any contracts?

Mr. NELSON. No one over there has told me specifically that he did talk, but I assume that Mr. Connally talked to the President.

Mr. WEITZ. Why do you assume that?

Mr. NELSON. Because he was in a position to talk to the President about it. And I further assume that he talked to the Council—well, I don't know whether you say in this administration or not—but the Council of Economic Advisers, or its equivalent, because that is where the roadblock in any administration generally is to obtaining favorable action on such programs.

Mr. WEITZ. Was there any attempt by AMPI to purchase cheese in the beginning of 1971 to drive the price up to better improve the chances of obtaining a price-support increase?

Mr. NELSON. There were purchases made by AMPI of cheese in an attempt to negate what AMPI considered to be the rigging of the price downward by a few large dealers.

Mr. WEITZ. So you are saying it was an attempt to raise the price back up subject to pressure, as a result of pressure from others?

Mr. NELSON. Yes.

Mr. WEITZ. AMPI purchased the cheese for that purpose and not because it needed the cheese?

Mr. NELSON. AMPI was marketing cheese continuously.

Mr. WEITZ. But the reason for purchasing the cheese was not primarily for the need of the cheese at that time, but was to counter this artificial pressure downward; is that what you are saying?

Mr. NELSON. That would be one of the primary reasons, yes.

Mr. WEITZ. All right.

Now, you said you assume that Mr. Connally spoke with the President. I would like to show you—and you have been shown it a number of times before, but I think it behooves us to show it to you again—a copy, which I will mark as exhibit No. 5, of what has been testified to in a previous deposition of yours to have come from the back of a fact document relating to milk price supports.

[Whereupon, the document referred to was marked Nelson exhibit No. 5 for identification.*]

Mr. WEITZ. I know you have seen this before. I would like to show it to you again, though, and go over with you the circumstance which

*See p. 6709.

you believe resulted in that written piece of paper and what it might mean or read.

Could you first try to read it for us as best you can?

Mr. NELSON. Well, this was—I don't want to cast any aspersion on your copies, but this is about the worst one I have seen of this thing.

Mr. WEITZ. Well, when you get copies of copies this is what happens.

How about if I read to you from your previous deposition and see whether you disagree with any of the reading of it, and you can follow along on the exhibit?

Mr. NELSON. All right.

Mr. WEITZ. And this is on page 75 of your deposition in *Nader v. Butz*: "Schultz, every dime must be cut down, squiggle," which I assume is trying to read something that you feel is illegible.

"Schultz has got to be instructed." Then an illegible word. Then, "Talk to Schultz and Pres. 30 minutes. Told Pres. we were most aggressive political organization in America."

Then another line, an uncompleted sentence, plus, "didn't give." And that is the end of your reading.

And then you are corrected. You said, "in America," and it was pointed out perhaps that was, "in agriculture," and you agreed with that rereading of it.

Does that accord with, no matter how bad our copy is, with what you remember to have read from that document?

Mr. NELSON. Yes.

Mr. WEITZ. Do you recall the circumstances in which you wrote this document?

Mr. NELSON. No, I don't.

Mr. WEITZ. This is your handwriting?

Mr. NELSON. That's my handwriting.

Mr. WEITZ. And you recall that in the previous deposition you indicate, it was indicated to you that it was taken from the back of a working paper with respect to milk price supports?

Mr. NELSON. The sort of thing that—

Mr. WEITZ. We have indicated before.

Mr. NELSON. Yes.

Mr. WEITZ. But you do not remember when you wrote this?

Mr. NELSON. No.

Mr. WEITZ. What is now marked as exhibit No. 5?

Mr. NELSON. No.

Mr. WEITZ. Now, would you like to take another look at it and under the word that you designated as illegible, would you like to look at that word, which I am now pointing to, and tell us whether you can now identify that, or whether you know that to be "Connally"?

Mr. NELSON. Well, I don't know that to be, but I would agree with you that I can see how it could be. That could be the construction you put on it.

Mr. WEITZ. Well, let me ask you this. I can put a lot of constructions on this. You are here under oath. You may not remember writing that document as to the date, the time, the place, and so forth. But I am asking you whether, looking at that document and looking at that

word, whether your best reading of it and your best recollection is that that word is "Connally"?

Mr. NELSON. I just can't tell what the word is.

Mr. WEITZ. Well, let us think back now. This is not a document that someone else prepared. You prepared the document.

Mr. NELSON. Now, this is not part of a document that I prepared. This is off the back of some document.

Mr. WEITZ. Yes, I'm sorry. Now I'm just talking about what you wrote on the back of the document.

The handwriting is yours, therefore you wrote those words that appear, a copy of which we now have as exhibit No. 5. Now you wrote those words, and it talks about Schultz, "Every dime must be cut down," "Schultz has got to be instructed," blank, squiggle or whatever that we are trying now to decipher, "talk to Schultz," and it goes on to say right after that, "talk to Schultz and Pres. 30 minutes," and so forth. Now, in the context of what we have been discussing and the context of the people you were trying to contact and the context of the effort of trying to obtain an increase in price supports, together with what you are able to decipher from your own handwriting, can you tell us whether that appears to be the name "Connally"?

Mr. NELSON. Well, I can't tell it any more now than I ever could.

Mr. WEITZ. Do you assume it to be Mr. Connally's name?

Do you assume that in the context there of what is written there that you would have written "Connally"?

Mr. NELSON. Well, it just hard for me to say.

Mr. WEITZ. Let me put it this way.

Have you ever talked to anyone else in 1971 with respect to milk price supports who told you they had talked to—have you talked to anyone who told you they had talked to Schultz or the President about milk price supports?

Mr. NELSON. Well probably, I don't recall any specific conversations, but I would say it is likely that Secretary Hardin told us that he talked to Schultz and the President.

Mr. WEITZ. Well that doesn't look like Hardin, in any way?

Mr. NELSON. No, it doesn't.

Mr. WEITZ. Did anyone else, to your knowledge, on your behalf or with respect to this matter, talk to Schultz or the President that you would have become aware of?

Mr. NELSON. I understand it could have been some of the key congressional chairmen, had done that.

Mr. WEITZ. Was there anybody else that you can read into that word?

Mr. NELSON. No.

Mr. WEITZ. What your testimony is, that you still do not read that as Connally? Or, in the context of what you know to have been the facts at the time, who you were talking to and what knowledge you had?

Mr. NELSON. You see, I don't even know when this was written, you see—as far as putting it in context is concerned—as to when it was written.

Mr. WEITZ. Well if it was written on the back of a document relating to milk price supports in 1971, do you assume, or do you have any recollection that it was probably written sometime during that period when you were trying to obtain a price support increase?

Mr. NELSON. Well if it was written on the back of one of those documents, yes. But you understand we had documents on other things, too.

Mr. WEITZ. What does this mean: "The President aware, the President, we were most aggressive political organization in agriculture."

Mr. NELSON. Well I think that's true, that we were the most.

Mr. WEITZ. And to your knowledge, or your understanding, was the President aware of that?

Mr. NELSON. That would be the connotation that I would—either that he was aware, or that he had been told that.

Mr. WEITZ. So that would make him aware of it?

Mr. NELSON. Yes, I'm just talking about the implication of the note.

Mr. WEITZ. Right. And then the final line—"didn't give."—The last line, as I say, indicates "didn't give", what does that mean?

Mr. NELSON. It looks to me—I looked at it there—just the two words there, it looks to me like I started to write a sentence and didn't finish it.

Mr. WEITZ. Besides what it looks like to you, do you recall whether it, in fact, refers to the fact that you didn't give to the President—

Mr. NELSON. I have no recollection of having written that at all.

Mr. WEITZ. I'm not asking you that. I say, having shown you this, does it refresh your recollection of what you meant by this, or what you had in mind during this period, was the fact that your organization had not given to the President?

Mr. NELSON. No. I just don't—I'm not trying to not respond to your question, but I just flat don't remember that memo and I don't know what that means.

Mr. WEITZ. Your testimony is that you don't know what it means?

Mr. NELSON. The "didn't give"?

Mr. WEITZ. Yes.

Mr. NELSON. Yes, as a matter of fact, I think your construction would be wrong because I believe at that point we had given—we had given, we had made contributions.

Mr. WEITZ. How much?

Mr. NELSON. I can't tell you.

Mr. WEITZ. At what point?

Mr. NELSON. You said this was supposed to have been sometime prior to the price support increase?

Mr. WEITZ. Right. Right, you had already given \$10,000 hadn't you?

Mr. NELSON. Well, I think we had given more than that, hadn't we?

Mr. WEITZ. Well I'm asking you.

Mr. NELSON. Well, you've got the record and I don't, here, Mr. Weitz. I haven't had access to these records in over 2 years—well in about 2 years, you see.

Mr. WEITZ. But you have had a number of opportunities and this really applies to a lot of the questions we're going over now, you've had opportunity in the last month or 2—which is often helpful—to be questioned a number of times about these matters and oftentimes that permits someone to reconstruct and recall things that without questioning you would not normally recall.

Mr. NELSON. Yes.

Mr. WEITZ. Now my question is, When you say that you gave, are you talking first of all about TAPE, or all of the co-ops?

Mr. NELSON. I'm talking about all of them.

Mr. WEITZ. All of them. Now can you tell us what your best recollection is as to when this was, so we can determine whether or not you had given, to determine when this document—when you wrote these words?

Mr. NELSON. I told you that I don't know when I wrote them. You have said that it was sometime on some document in connection with the price support increase.

Mr. WEITZ. Wasn't this the day after the meeting with the President, or the day of the meeting with the President on the 23d?

Mr. NELSON. I don't know.

Mr. WEITZ. Was it one of those 2 days?

Mr. NELSON. I don't know. You see I don't know what document that was on.

Mr. WEITZ. Would that clear it up for you if you were able to determine?

Mr. NELSON. I don't know that it would because I just don't remember the thing.

Mr. WEITZ. Let's go off the record for a minute.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Now in your deposition which we referred to previously, it appears that on the bottom of page 49, you were asked about whether you recall when or under what circumstances you wrote this document, and you say: "No, I don't, but I said that I assume that since it was on that document which was the sort of document that was used in presenting our case for price support, that it was done in the meeting with the President because Secretary Schultz was there, and I never had any meetings with Secretary Shultz that I recall myself. And so I assume it was there because his name was there. I assume that that is the name, Shultz."

Now does that refresh your recollection as to the type of document we are talking about and the time period which you would have written this document, whether or not it was specifically at the meeting with the President?

Mr. NELSON. You know I had forgotten it. I still don't remember what the document was, but when they showed me that, it was on the back of some document. The thought—and this is just conjecture—but the "didn't give" part, connotes presently to me that what I was reacting to was the thought that Shultz was not "giving" insofar as chang-

ing his position in the matters concerned. I think that that is really—

Mr. WEITZ. But you didn't write "Shultz didn't give." This follows the phrase: "Pres. we were the most aggressive political organization in agriculture" but nonetheless that is the connotation you place on it?

Mr. NELSON. Yes, let me say why.

Mr. WEITZ. That's the best of your recollection?

Mr. NELSON. Why I placed that on it presently, in thinking about it, in that meeting that we had with the President, I'm talking about the meeting where the people are listed in the letter, we had a considerably longer—as I recall they told us we could be in there 20 minutes and I may be wrong about the time, but it seems to me we were in there about 45 minutes at least—and the reason we wanted the meeting was that based on past experience, the Council of Economic Advisers resists, regardless of how many papers you submit supporting your position, the Council of Economic Advisers has access to the President, so they get in and make a refutation of your position, and you are not there to make a refutation of theirs.

So what we were seeking, when we had this meeting, was more or less a confrontation that would enable all of the contingents to be heard by the President. One of the things that was said to him was—every dairy farmer in the country pays income tax and most of them are not in high income, but you can assume that at least 20 percent—that they are going to pay 20-percent tax and that the Government—that inasmuch as the price support—not permitting that, that continuing the price support at the percentage level of the year previous, would have an effect of keeping the price on all milk, not just on manufactured milk, at a higher level than it would otherwise be. And that this would effect all milk income by all dairy farmers in the country, whether they produced manufactured milk that was in fact purchased by the Government, or not. Therefore, the Government would get back more in tax dollars than the support program would cost them.

This difference in the support program that we were contending, and those would have had it lower, and they didn't think that this had ever been presented to him and he said, right there, "That has never been explained to me that way." And he turned right around to his people who were in back of him and as I recall, including Shultz, and said: "has it, to you—" and I have said repeatedly that that is the point that I think that he considered to be cogent, that hadn't been brought to his attention.

Mr. WEITZ. Based on that, you are saying that, based on that argument, that he instructed the Secretary to change the decision?

Mr. NELSON. I am saying that I think that is the cogent argument.

Mr. WEITZ. The cogent argument?

Mr. NELSON. I think that is the point that appealed to him.

Mr. WEITZ. Not feed costs?

Mr. NELSON. Oh, I suppose feed costs, I'm sure that that had been presented to him as one of our contingents.

Mr. WEITZ. And that had been presented to the Secretary of Agriculture before the first decision?

Mr. NELSON. Oh, yes, the Secretary of Agriculture always knows about feed costs. As a matter of fact, he has all the figures, but I will say this about feed costs. Feed costs, in the long—if you draw a graph of feed costs from that point to this point, you will see, there has been some temporary aberrations downward, but the feed cost has continued to spiral, it is now at an all time high.

Mr. WEITZ. You are aware that the second price support announcement by the Secretary of Agriculture, did not refer to incomes and taxes, but only to feed costs?

Mr. NELSON. I am aware of that, yes.

Mr. WEITZ. In your opinion, is that the only reason the Secretary of Agriculture changed the price supports?

Mr. NELSON. I will tell you frankly I think they changed it because they realized they had made a mistake in the first place. Now I know that other things have been said—

Mr. WEITZ. So it had nothing to do with taxes and farmer income?

Mr. NELSON. No, I think that was also—I think as far as the President was concerned, getting his attention, just from observing his demeanor at the meeting, I think that is the thing that got his attention because he reacted specifically, the minute I said it. When you get the tapes, you'll hear that that's in there.

I have been wanting them to get these tapes.

Mr. WEITZ. Do you recall Mr. Jacobsen telling you, sometime the same day of the meeting with the President, of his contact with Mr. Connally that day?

Mr. NELSON. Of his contact with Mr. Connally the same day of the meeting?

Mr. WEITZ. Yes.

Mr. NELSON. No, I don't. I didn't recall that Mr. Jacobsen was actually up there that day.

Mr. WEITZ. Do you recall what Mr. Jacobsen told you around that time, or around the time of the 23d, with respect to contacts he was having, or had had, with Mr. Connally?

Mr. NELSON. Mr. Jacobsen reported to me that Secretary Connally understood the problem, which I knew that he would because of his background. He is from a county where dairying is important. He was reared on a farm. I didn't think we would have any problem with him insofar as understanding the problem and he reported to me that Secretary Connally understood the problem and was going to see what he could do about it.

Mr. WEITZ. Did you talk to Mr. Campbell that day, Under Secretary Campbell?

Mr. NELSON. He was there, he was at the meeting with the President.

Mr. WEITZ. Did you speak to him, apart from his presence at the meeting?

Mr. NELSON. I don't believe I did. I spoke to him at the meeting. Secretary Campbell, as I recall, when the meeting broke up, I walked around the table and as I recall, I believe this is right, had a short

conversation with him and he expressed concern over—said his only concern, as I recall and this may be wrong but as I recall, his only concern was that we might stimulate overproduction and I told him that I didn't share that concern at all.

Mr. WEITZ. I want to show you a document I'll mark as exhibit 6 which I would like you to identify. Does this look like a copy of your phone call records for the day of—part of the day of—March 23, 1971?

[Whereupon, the document referred to was marked Nelson exhibit No. 6 for identification.*]

Mr. NELSON. Yes, this is the sort of records they kept.

Mr. WEITZ. Do you recognize the handwriting? Was that kept by your secretary, or by the receptionist at AMPI?

Mr. NELSON. The only phone record I am aware of was kept by the secretary, and she didn't keep these on a continuing, well, like, see—she did, here are her initials right here, that's Jane Wright.

Mr. WEITZ. That's your secretary?

Mr. NELSON. Yes.

Mr. WEITZ. Now on that it is indicated that you received a telephone call from Phil Campbell, who left a message for you to call him at home in Virginia. Did you talk to him that day, or did you talk to him the next day?

Mr. NELSON. Well isn't this the day we had the meeting with the President?

Mr. WEITZ. March 23, 1971, yes.

Mr. NELSON. Well I was thinking that I stayed in Washington.

Mr. WEITZ. Well, let's say you were staying in Washington, did Mr. Campbell know where you were staying? Did you tell him you were staying at the Madison Hotel?

Mr. NELSON. No, no, no—well, he could have known, I don't recall.

Mr. WEITZ. So if he wanted to reach you, the only number he had would have been your number at AMPI in San Antonio, right?

Mr. NELSON. Right.

Mr. WEITZ. So if he wanted to reach you he could call, leave a message, and you could return his call?

Mr. NELSON. That's right.

Mr. WEITZ. Do you recall getting that message, either that day or the next day, and returning that call?

Mr. NELSON. No.

Mr. WEITZ. Did you talk to Mr. Campbell between the time of the meeting with the President and the time of the milk price-support increase?

Mr. NELSON. Well the only conversation I really recall with him was right at that time. It was just right after the meeting.

Mr. WEITZ. Did he indicate whether or not he believed the increase would be granted?

Mr. NELSON. Well, as I say, he said that—he didn't speak up, particularly, I think maybe he did speak up at one point, and raised the

*See p. 6710.

question of—and not vigorously—but the possibility of stimulating overproduction. And then after the meeting broke up, I walked around the table and we stood there and talked a moment and he said, you understand my concern, and so forth.

Mr. WEITZ. Did Mr. Campbell call you to tell you that the price supports were going to be increased?

Mr. NELSON. No, he didn't.

Mr. WEITZ. When was the first time you learned of that?

Mr. NELSON. The first time I learned of it was about 11 o'clock that morning.

Mr. WEITZ. Which morning?

Mr. NELSON. That they put out the announcement, whatever, 11:30—

Mr. WEITZ. The 25th? That was the first time you learned it? The public announcement?

Mr. NELSON. That's right.

Mr. WEITZ. When was the first time you learned that it looked as if the administration was going to increase the price supports?

Mr. NELSON. Well, that evening at—I can't remember what the name of the function was—it was one of those political dinner things—

Mr. WEITZ. What evening is this?

Mr. NELSON. Well, it was right close to this time.

Mr. WEITZ. The 23d, or the 24th?

Mr. NELSON. As I recall.

Mr. WEITZ. After the meeting with the President, but before the decision was publicly announced on the 25th?

Mr. NELSON. Yes.

Mr. WEITZ. Who told you that?

Mr. NELSON. Well, Page Belcher was saying that all over that meeting—but nobody had told me then. Page Belcher was telling our members this, telling the dairy farmers that. Two or three of them came up to me—

Mr. WEITZ. That the levels were going to be increased?

Mr. NELSON. That there was going to be an increase, but I have had that sort of thing happen before. I don't mean specifically that, but somebody saying—well, some action is going to be taken. So I kept telling these people not to be sure, you see, not to be sure about that.

Mr. WEITZ. When did you receive—or did you receive, any other information that evening?

Mr. NELSON. That the price support was going to be increased?

Mr. WEITZ. Or it looked like it was likely to be increased.

Mr. NELSON. I received information that it was, that it looked favorable, but that we—that there wasn't anything absolutely sure about it.

Mr. WEITZ. Who told you that?

Mr. NELSON. Murray Chotiner.

Mr. WEITZ. Who told him?

Mr. NELSON. I don't know who told him.

Mr. WEITZ. Who was present when he told you that?

Mr. NELSON. I don't believe anybody else was present. We were sitting in the lobby, as I recall, we were sitting in the lobby of the Madison Hotel.

Mr. WEITZ. Waiting to see Mr. Kalmbach?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did he indicate how he found that out?

Mr. NELSON. No. I just assumed—you know, I assumed that he had found it out from him—the President or somebody very close to the President.

Mr. WEITZ. Did he say he talked to Mr. Ehrlichman?

Mr. NELSON. No.

Mr. WEITZ. Did you know that he had talked to Mr. Ehrlichman that evening?

Mr. NELSON. No, I didn't. I didn't know that any of these people nobody that I ever talked to at any time, ever talked to me in terms of Ehrlichman or Haldeman. It was always Colson.

Mr. WEITZ. Did he indicate that he had found that out from Mr. Colson?

Mr. NELSON. No. He didn't.

Mr. WEITZ. But it was clear that someone in the administration who would know, had told him?

Mr. NELSON. That it looked favorable. That's the way he put it to me, and he also——

Mr. WEITZ. He wasn't speculating? He based it on something that someone in the administration had told him?

Mr. NELSON. He wasn't guessing, but he also admonished me not to count on it until it was absolutely done, that it could not happen.

Mr. WEITZ. And he also admonished you not to tell anyone yet?

Mr. NELSON. Yes.

Mr. WEITZ. How did you come to be sitting with Mr. Chotiner in the lobby of the Madison Hotel?

Mr. NELSON. He called, and I cannot tell you when; either he—I do not want to say he called. It might have been Mr. Harrison. It was either Mr. Harrison or Mr. Chotiner called me, and asked me to meet them there, because Mr. Kalmbach was going to be there.

Mr. WEITZ. You say he called you. Did you attend the dinner that evening?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And did Mr. Chotiner attend that dinner?

Mr. NELSON. I have been told that Mr. Chotiner did attend the dinner. I do not remember him being at the dinner.

Mr. WEITZ. Did Mr. Harrison attend the dinner?

Mr. NELSON. Yes, as I recall, he did.

Mr. WEITZ. And how soon after the dinner did you meet with Mr. Chotiner in the lobby of the Madison Hotel?

Mr. NELSON. Well, I would say right after the dinner.

Mr. WEITZ. So did he call you, or did he in fact not tell you at the end at the dinner to meet him in the lobby of the Madison Hotel?

Mr. NELSON. I think it was before. I think it was even before we ever went to the dinner, that he either called me or Mr. Harrison told me.

I do not really remember what time. I do not remember talking to him at all at the dinner. I do not even remember——

Mr. WEITZ. Mr. Chotiner?

Mr. NELSON. Yes.

Mr. WEITZ. Now, up to that time, you had been in contact primarily with Mr. Harrison with respect to meetings and so forth for the milk price support increase?

Mr. NELSON. Yes.

Mr. WEITZ. Had you been in contact with Mr. Chotiner before that, after he left the White House and until this time?

Mr. NELSON. You see, that is the point; when did he leave the White House?

Mr. WEITZ. I believe he left approximately March 5, 1971.

Mr. NELSON. March 5, 1971.

Mr. WEITZ. Let me put it this way; do you recall talking to or in any way dealing with Mr. Chotiner with respect to his representation of you to gain a milk price support increase after he left the White House and before the evening of the dinner?

Mr. NELSON. I cannot give you the date, but we had a conversation over in the office of Mr.—the law firm.

Mr. WEITZ. Was Mr. Harrison present?

Mr. NELSON. Yes.

Mr. WEITZ. Do you recall any instances in which—before the evening of the dinner or right after the dinner and since the time Mr. Chotiner left the White House that you talked to Mr. Chotiner about the milk question without Mr. Harrison being present?

Mr. NELSON. I do not believe so. I do not believe—I do not believe we did.

Mr. WEITZ. Now, did either Mr. Harrison or Mr. Chotiner, whoever told you to meet Mr. Chotiner in the lobby, tell you why you were to meet with him, and ultimately Mr. Kalmbach?

Mr. NELSON. It seems, and I could be wrong about this. It seems to me we were going to meet with Mr. Kalmbach to get that Mr. Chotiner was going to get Mr. Kalmbach to produce the committees.

Mr. WEITZ. These are the same committees you had asked for the year before?

Mr. NELSON. It is a continuing thing.

Mr. WEITZ. Why was Mr. Chotiner going to intervene at this point?

Mr. NELSON. Well, I guess because he thought he could get the job done, and no one else had succeeded up to that point in really getting it done.

Mr. WEITZ. And he was to meet with you and Mr. Kalmbach to make sure that Mr. Kalmbach obtained the committees, produced the committee for you?

Mr. NELSON. That is my recollection of it.

Mr. WEITZ. Was Mr. Colson in any way mentioned with respect to this, or the administration in general?

Mr. NELSON. No. He was going to get Mr. Kalmbach. We were to meet Mr. Kalmbach.

Mr. WEITZ. Was there any reason give that—what time did the dinner end, approximately?

Mr. NELSON. I do not know. I would say 10 o'clock.

Mr. WEITZ. When did you meet with Mr. Kalmbach?

Mr. NELSON. Well, it was very late when we met with Mr. Kalmbach. We sat and sat and sat down there, and no Mr. Kalmbach, and Mr. Chotiner went over to the phone repeatedly and called, and just to be very candid about it, he became pretty exercised. He was kind of embarrassed to think that here he was going to produce this man, and there was no man, you see.

And I cannot remember, you see, I really cannot remember what the deal was, but it was quite late. It was way after midnight, and we were still sitting there, and Chotiner is just getting ready to leave, you know. And I do not know what the mixup was.

It turns out that Kalmbach has been in the hotel all the time, and Kalmbach was asleep. He was in bed asleep up there. And for some reason, there was some mixup, I do not know what—

Mr. WEITZ. You had the wrong number or something?

Mr. NELSON. Something like that. I do not remember.

Anyway, Kalmbach—really, there was no point to being mad at Kalmbach for not having shown, because he was in his room all of the time.

Mr. WEITZ. Did you wake him, and did you meet with him ultimately?

Mr. NELSON. Yes, we went upstairs.

Mr. WEITZ. Why did you decide to? Why did you and Mr. Chotiner decide to meet with him if he already was in bed and asleep and so forth, and it was way past 12 o'clock?

Mr. NELSON. You know, I do not really recall why. If I could talk to Mr. Chotiner and find out, I would be glad to tell you. I just do not recall right at the moment why that was, but he was in his pajamas.

Mr. WEITZ. Did Mr. Kalmbach, from the conversation on the phone and then ultimately in the meeting in his room, indicate that he understood or knew ahead of time that you and Mr. Chotiner had come to meet with him?

Mr. NELSON. Yes.

Mr. WEITZ. Was he expecting your visit?

Mr. NELSON. Yes, he was apologetic over the mixup.

Mr. WEITZ. Do you recall what the purpose of the meeting was?

Mr. NELSON. No, it seemed to me that it was to get the committees, that he was going to see that we got committees.

Mr. WEITZ. Did you have any contributions to make that evening, or any checks to deliver?

Mr. NELSON. I am not certain about that. I do not want to say that I did, because I want to check and see. I do not really recall that I did. I would have to check and see whether or not I did do that, because I do not know.

I do not want to say that I did unless I check on it and find out that I actually had some checks, but Kalmbach was expecting us. That was obvious. There was not any question.

Mr. WEITZ. What happened when you arrived in his room?

Mr. NELSON. I would say we were not in there 10 minutes.

Mr. WEITZ. And what was said, if you can follow along as closely as you recall?

Mr. NELSON. You see, I had forgotten all about this thing until they started pressing me about what did you—actually, they were asking me, did I leave there and go to a meeting and so forth. I said, no, I did not leave and go to any meeting and so forth.

Then I ran it through and I said, what I did was met Murray Chotiner downstairs in the hotel lobby. So I cannot tell you exactly what went on in that room when we got up there. It was—my recollection of it is that he put it on him about getting names of the committees, and he said he would.

Mr. WEITZ. Mr. Chotiner to Mr. Kalmbach?

Mr. NELSON. Yes.

Mr. WEITZ. Was Mr. Harrison mentioned at all or Mr. Hillings?

Mr. NELSON. In that, no, not that I recall. They were not there.

Mr. WEITZ. And there was no reference to them?

Mr. NELSON. Not that I recall, no.

Mr. WEITZ. What did Mr. Kalmbach say?

Mr. NELSON. Well, Mr. Kalmbach had just been awakened, and he is not a very verbose guy to start with, and he did not have a whole lot to say.

Mr. WEITZ. Well, you had made this request before to him a number of times?

Mr. NELSON. Yes, sir. I sure had.

Mr. WEITZ. Did he appear irritated, or did he wonder why he had to be awakened at after 12 o'clock that night to be told of a request that had been made to him once before?

Mr. NELSON. He had already been told on the phone when Chotiner got him downstairs, you know, he was exorcised about the fact that we had been waiting. Well Kalmbach obviously had been there all the time, so he was not remiss in any way.

Mr. WEITZ. Why were you present? Why did you have to be present for this if Mr. Chotiner was brought in to see what he could do about obtaining committees?

Why did you not just call Mr. Kalmbach directly?

Mr. NELSON. Well, I do not know why.

Mr. WEITZ. Did you say anything during the meeting?

Mr. NELSON. Oh, I am sure I did.

Mr. WEITZ. Do you recall what you said, or the substance of what you said?

Mr. NELSON. Well, I am sure the substance of what I said was to agree to whatever arrangement they made between themselves as to how we would make payments.

Mr. WEITZ. Was there any reference to governmental policies or representation of AMPI in governmental action?

Mr. NELSON. You mean by Kalmbach?

Mr. WEITZ. By Chotiner, Kalmbach or anyone else.

Mr. NELSON. Well, I am not following your question.

Mr. WEITZ. Well, all right. Let me go at it this way.

Is there anything else that was said with respect to contributions or committees?

Mr. NELSON. Not that I recall.

Mr. WEITZ. Was anything else said at the meeting?

Mr. NELSON. Contributions was all that was discussed, as far as I remember.

Mr. WEITZ. And then you left Mr. Kalmbach's room?

Mr. NELSON. Yes, sir; but then I cannot remember a specific time, but it seems to me it was about 2:30 or 3 o'clock; by then, it was very late, I will tell you. I will put it that way.

Mr. WEITZ. Where did Mr. Chotiner go after the meeting?

Mr. NELSON. Where did he go? I do not know.

Mr. WEITZ. He left the hotel? He left your presence?

Mr. NELSON. We went—yes. As I recall, we went back down to the lobby, and he said, good night and left.

Mr. WEITZ. Where did you go?

Mr. NELSON. I went back upstairs.

Mr. WEITZ. To your room?

Mr. NELSON. Yes.

Mr. WEITZ. Your suite?

Mr. NELSON. Yes.

Mr. WEITZ. Did you share a room, a suite at that time with Mr. Parr?

Mr. NELSON. Yes. I say Mr. Parr; it was probably Mr. Parr.

Mr. WEITZ. Do you recall whether he was there that evening?

Mr. NELSON. Mr. Parr was there, and there were others there as I recall.

Mr. WEITZ. In your suite?

Mr. NELSON. Not spending the night, but I mean in the—you know.

Mr. WEITZ. But in your suite. Did you stop by and see Mr. Parr that evening after the meeting with Mr. Kalmbach?

Mr. NELSON. Well, Mr. Parr would be in the——

Mr. WEITZ. Did you see anyone after the meeting, any AMPI people?

Mr. NELSON. I do not recall whether they were still up or not. You have got to understand this, in all probability they were. Any time we traveled with Mr. Parr, you stood a good chance of being kept up a big share of the night.

Mr. WEITZ. He goes to bed late and you go to bed early. Is that not right?

Mr. NELSON. That is right. I get up early, and he gets up late.

Mr. WEITZ. Was he awake when you went back to your suite?

Mr. NELSON. Well, I do not remember.

Mr. WEITZ. Did you talk with him that evening, do you recall, or early that morning?

Mr. NELSON. I would say the probability—oh, I am sure that I did, either one or the other.

Mr. WEITZ. Not the next morning, but after the meeting, late at night or early in the morning, however you want to characterize it?

Mr. NELSON. I just do not recall. The probabilities are that Mr. Parr was not only there, but he would have somebody else, one or more people around any time he could get them to talk to him; he would have them there. I will guarantee you.

Mr. WEITZ. Did you communicate to anyone the fact that you had attended this meeting?

Mr. NELSON. With Kalmbach and Chotiner?

Mr. WEITZ. Kalmbach and Chotiner?

Mr. NELSON. I do not believe I did. If I did, I do not recall it.

Mr. SANDERS. Let me go off the record a minute.

[Discussion off the record.]

[A brief recess was taken.]

Mr. HAMILTON. We want to ask you some questions concerning the relationship of AMPI and Valentine, Sherman, and I think that the best way to start off initially, I think, is just let you tell us in your own words the nature of this relationship. And I think if I just might structure what you are going to say a little bit, I would like to know—I would like for you to start with the initial contact, by whom it was made, who put you in touch with them, the types of business relationships you worked out, what services were purchased from AMPI, how they were paid—I mean from Valentine, Sherman—how Valentine, Sherman was paid, etc.

And I think—I do think it would be better if you would just tell us that in your own words.

Mr. NELSON. All right. Let me ask you this: I cannot give you the date.

Do you know the date, if you can give me—

Mr. HAMILTON. Which date are you talking about?

Mr. NELSON. Well, the date of a meeting in Minneapolis, and there was some sort of a political function up there concerning Hubert Humphrey.

Mr. HAMILTON. Well, I think the fundraising you are probably talking about was in the summer of 1971; if that is at Humphrey's home?

Mr. NELSON. No. When you—when you are talking about Humphrey's home, are you talking about his home—what is the name of—

Mr. HAMILTON. Waverley.

Mr. NELSON. I have been asked this before, and I do not believe—as a matter of fact, I am certain that I have never been to Senator Humphrey's home at Waverley, Minn.

I am talking about a meeting in a hotel close to the airport in Minneapolis.

Mr. HAMILTON. Now that, I believe, was in the early winter of 1971.

Mr. NELSON. All right.

Mr. HAMILTON. But again, I want to let you do this in your own words.

Mr. NELSON. Yes.

Mr. HAMILTON. But I would think it is getting ahead of yourself a little bit, is it not, because you had—my understanding is that AMPI and Valentine, Sherman had relationships before that time.

Mr. NELSON. Well, I do not—before the winter of 1971?

Mr. HAMILTON. Yes.

Mr. NELSON. Well, let me tell you what my recollection is, and then we are going to have to—because I do not recall any before this time.

Mr. HAMILTON. All right. Go ahead.

Mr. NELSON. The way I recall it is that there was a meeting of some kind for Senator Humphrey in this motel.

Mr. SANDERS. The Radison South?

Mr. NELSON. Is that close to the airport? Radison is a hotel in downtown. It was not downtown; it was out in the airport in a big, new motel complex there. And Mr. Parr introduced me to—I do not know which is which; one of them is short and stocky, and that is the one that I met of Valentine, Sherman.

And the proposition was this, that Valentine, Sherman were performing—had the capability of doing all of this computerizing, for want of a better term, of farm numbers in given locations and so forth; and that this would be useful to AMPI in its membership drives. And they also—

Mr. HAMILTON. I am sorry. I believe you were—

Mr. GALLMAN. You were in the motel.

Mr. NELSON. We were in the motel, and the idea was that Valentine, Sherman would perform services of computerizing farm population, farmers numbers by counties and so forth; that would be useful to AMPI in its membership drives, and would also be useful—would reduce the cost that would be involved in doing computer work in connection with the Humphrey campaign.

And that they would bill AMPI for these services and furnish tapes, or discs or something—I do not recall the details of that, of these farm population numbers. And that is what was done, and they did bill us, and they were paid by us. I know that is an over—but that is—and you say that is ahead of myself, that there was a relationship other than that. I do not recall that.

Mr. HAMILTON. Well, now, what you just said is that the first time that this arrangement was worked up was in December of 1971.

Mr. NELSON. No, I say whenever that meeting was, that political meeting, and I cannot place the date for you.

Mr. HAMILTON. Well, we have heard from other individuals that it was in December of 1971, in the early winter, maybe early December, but we do have some documentation in the files that places the start of this thing a good bit earlier, and documentation that was sent to you.

Now, let me just—I think this is probably the best way.

Mr. NELSON. When was this meeting that you were talking about at Senator Humphrey's home?

Mr. HAMILTON. Well, there was a meeting at Humphrey's home, a fund raiser, that was in the summer of 1971.

Mr. NELSON. Well, that was not the meeting—that was not the meeting where I met Valentine, Sherman, because I was not at that meeting.

Mr. HAMILTON. Well, just to get us started then, Mr. Nelson, maybe work backward in time a little bit. Let me show you this contract between AMPI and Valentine, Sherman.

You will note on the second page that it was signed by you and Mr. Valentine, and the date on it is June 10, 1971. And there is a cover letter to you from Mr. Valentine, which is dated August 2, 1971, which of course indicates that the contract, since this is for the contract, indicates that the contract was backdated.

Now, does that refresh your recollection somewhat?

Mr. NELSON. It seems to me, if I can recall, that this is pursuant to the meeting I am talking about, whenever it was, in Minneapolis.

Mr. HAMILTON. Well, I want to just make sure that we are talking about the same meeting. Mr. Nelson—I mean I think you said that the meeting was—

Mr. NELSON. It had something to do with Senator Humphrey.

Mr. HAMILTON. Well, we have indications that the meeting that I think you are talking about, the fundraiser, was in December of 1971; so that would—this would be prior—

Mr. NELSON. Prior to, but there was bound to have been another meeting up there having to do with Senator Humphrey, prior to the date of this contract, because that is how I met whichever it was, Valentine or Sherman; the short, stocky one of the two was at one of those meetings.

As my memory serves me, he actually gave us a ride back to the airport from the meeting.

Mr. HAMILTON. Well, what is the exact nature of the arrangement that you reached at that time?

Mr. NELSON. Well, just as I told you, that they would bill us for preparing these lists, and by performing these services for us, and charging the amount, whatever it was, that they were going to charge us. And we understood that they were going to be able to perform services also for Senator Humphrey at a much lower rate.

Mr. HAMILTON. Now, is it your understanding that they would also give Senator Humphrey certain lists?

Mr. NELSON. Yes; that is right.

Mr. HAMILTON. So, as you remember it, they would give you some rural route lists, is that correct?

Mr. NELSON. Rural population lists.

Mr. HAMILTON. Rural population lists, and they would give Humphrey what kind of lists?

Mr. NELSON. Well, lists useful in voter campaigns. There was not any explicit understanding about the kind of lists. I assume they were going to give him the kind of list that he wanted them to prepare for him.

Mr. HAMILTON. And what is your recollection as to how much work Valentine, Sherman did for you?

Mr. NELSON. My recollection is that—well, I really do not know. I understand that there are some discs—that they furnished these things in the form of discs—that are actually out at the AMPI office in San Antonio now.

I cannot tell you how much work actually went into them.

Mr. HAMILTON. Do you know how much AMPI paid Valentine, Sherman?

Mr. NELSON. No. I can give you—I would say it is over \$100,000. I cannot give you the exact figure.

Mr. HAMILTON. And do you know what States the work was done in?

Mr. NELSON. No, but the lists were furnished.

Mr. HAMILTON. Yes.

Mr. NELSON. I cannot give you that list, because I do not know.

Mr. HAMILTON. Was it more than one State?

Mr. NELSON. It is my understanding it was probably five or six States, and I could be wrong about that. Mr. Lilly could tell you what States they actually sent discs on. But I do not know.

Mr. HAMILTON. Well, do you know what material went to Humphrey?

Mr. NELSON. No; I sure do not.

Mr. HAMILTON. Do you know if the material was from the same States?

Mr. NELSON. No; I do not know that at all. I would imagine there are some from the same States, and some that was not.

Mr. HAMILTON. So it was your impression that Humphrey was getting lists from other States than those that AMPI was getting, was for—

Mr. NELSON. Yes—well, I just do not know what States, but I would just assume that it included States other than the AMPI list.

Mr. HAMILTON. Did you perceive this arrangement as—well, let me ask you another question first. What money was used for paying for these lists?

Mr. NELSON. Corporate—it was AMPI corporate funds.

Mr. HAMILTON. It was corporate money?

Mr. NELSON. Yes.

Mr. HAMILTON. And was it your recollection the payment was all in one sum, or that it was—

Mr. NELSON. No; my recollection is that the payment was in several installments. I can be wrong about that, but I think it was over a period of months.

Mr. HAMILTON. Were the payments made before you left AMPI?

Mr. NELSON. As I recall, some were made before and I assume that it was continued at least a while after I left AMPI.

Mr. HAMILTON. And you left AMPI in January of 1972?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. So, do you know how long before that payments began to be made?

Mr. NELSON. No, I do not.

Mr. HAMILTON. Could you make a guess?

Mr. NELSON. Well, I can check the date on here, and make a—that would be the only way I could.

Mr. HAMILTON. Well, that is not going to help you too much unless I lead you through some of this a little bit, because I have just given you one document here.

Mr. NELSON. All right.

Mr. HAMILTON. Would you say—I am just trying to get your recollection before we go back through some of these documents.

Mr. NELSON. All right.

Mr. HAMILTON. Would you say that payments started to be made about 6 months before you left? Would that be fair?

Mr. NELSON. I would say so, yes.

Mr. HAMILTON. So you would place this initial meeting with Valentine, Sherman before that?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. Now, who was in this meeting? You and——

Mr. NELSON. Mr. Parr.

Mr. HAMILTON. And Mr. Valentine?

Mr. NELSON. If he is the stocky one of the two.

Mr. HAMILTON. Both of them are short, and Valentine is stockier than Sherman.

Mr. NELSON. I would just have to tell you I do not know which one. It was one of the two.

Mr. HAMILTON. Well, I think, Mr. Nelson, not to overly shape what you are telling us, that it was Mr. Valentine that you met with.

Mr. NELSON. All right.

Mr. HAMILTON. In your recollection, was this the first time you had ever met Mr. Valentine?

Mr. NELSON. I believe so. I do not recall ever having met him.

Mr. HAMILTON. How were you put in contact with him?

Mr. NELSON. Mr. Parr.

Mr. HAMILTON. Now, how did Mr. Parr meet him?

Mr. NELSON. I do not know. I assume through someone on Senator Humphrey's staff, the reelection committee or something.

Mr. HAMILTON. Did Mr. Chestnut have anything to do with this?

Mr. NELSON. I do not know; he might have. He might have been the one who introduced Sherman and Parr, but Parr is the one who introduced me to Valentine, as I recall.

Mr. HAMILTON. So basically, you do not know then how Mr. Parr met Mr. Valentine?

Mr. NELSON. I am sure he told me at the time, but I just do not recall.

Mr. HAMILTON. Now, did you have any knowledge that other political candidates or organizations besides Senator Humphrey were getting political lists from Valentine, Sherman that were partially being financed by the money that AMPI was paying?

Mr. NELSON. No.

Mr. HAMILTON. So it was your notion that the only one getting any benefit was Mr. Humphrey?

Mr. NELSON. Mr. Humphrey and AMPI.

Mr. HAMILTON. Yes, and AMPI.

Mr. NELSON. It has been since suggested to me, and I cannot recall whether it was somebody questioning me or otherwise, that there were some others who got some benefit, but my impression at the time was it was strictly for Humphrey.

Mr. HAMILTON. Strictly for Mr. Humphrey. And when did you receive the list from Valentine, Sherman, that you ordered? Do you know that?

Mr. NELSON. No, I do not.

Mr. HAMILTON. Do you know if they came in before you left?

Mr. NELSON. I do not know that either. Mr. Lilly can tell you when they came; he is the one that told me they are there.

Mr. HAMILTON. Well, what were you going to use these lists for?

Mr. NELSON. In recruiting drives, in areas where we were; membership drives.

Mr. HAMILTON. Membership drives?

Mr. NELSON. Yes.

Mr. HAMILTON. Did you have any commercial schemes that you were going to use the lists for, any marketing schemes?

Mr. NELSON. Not that I am aware of or recall. As I remember it, the idea was that we would get these lists of these farmers by counties, and that we could pinpoint the counties and the numbers in them and so forth.

Now, I will be frank with you. It had not occurred to me until you just suggested to me about using it in connection with advertising drives. Ordinarily, in promoting agricultural products, you do not look for farm population to promote them with.

Mr. HAMILTON. Well, for example, did you have any plans that maybe AMPI would market some life insurance by use of these lists?

Mr. NELSON. Well, AMPI did not have a life insurance.

Mr. HAMILTON. But was there in AMPI some type of—or did AMPI have an arrangement with some type of insurance company where you had, not a group policy, but a policy that would cover all members of AMPI or all farmers, where they could get it at reduced rates or something like that?

Were you thinking along those lines?

Mr. NELSON. Do you want to go off the record just a second?

Mr. HAMILTON. Sure.

[Discussion off the record.]

Mr. NELSON. To my knowledge, that was not the use contemplated.

Mr. HAMILTON. Did AMPI ever have any type of plan to market cheese by use of these lists, cheese products?

Mr. NELSON. Well, AMPI marketed cheese among its own members but I do not recall any plan to market cheese.

Mr. HAMILTON. So as far as you know, the only reason you wanted these lists was to use in the recruiting drives?

Mr. NELSON. That is right. That was the only reason discussed at the time.

Now, somebody subsequently may have decided that they could conceivably use them in the type of programs you are talking about, but that was not the thing that motivated me in making the deal. I am just being candid with you.

Mr. HAMILTON. When you say the only thing being discussed at the time, there was this discussion, I take it, about how Senator Humphrey could also benefit.

Mr. NELSON. Yes.

Mr. HAMILTON. And for less money he could get——

Mr. NELSON. That is right; there was that discussion but the discussion from our point of view was that we could use them in membership.

Mr. HAMILTON. Well, how interested were you in these lists? Did you really feel you needed them?

Mr. NELSON. The primary motive was to help Senator Humphrey.

Mr. HAMILTON. The primary motive was to help Humphrey?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. Do I take it from that that you really did not plan to use these lists?

Mr. NELSON. No. We planned to use the lists; you know, it is a good thing to know, numbers of farmers by counties.

Mr. HAMILTON. But the primary motive was to help Humphrey?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. You say that the commitment to Humphrey was over \$100,000. Can you be more specific in that?

Mr. NELSON. No, I cannot recall what the amount was. I do not even recall the amounts that were paid while I was still there.

Mr. SANDERS. May I pose a question?

Did you frame that question in the sense of saying a commitment to Humphrey of \$100,000?

Mr. HAMILTON. If I did——

Mr. SANDERS. I think you did, and I do not think he said that.

Mr. HAMILTON. Well, since we are having an exact transcript, I think that is good that we should correct that, Don. The initial commitment of money to AMPI, by AMPI to Valentine, Sherman, you say, was over \$100,000?

Mr. NELSON. That is right.

Mr. HAMILTON. The question is, do you remember——

Mr. NELSON. No, I do not remember the specific amount.

Mr. HAMILTON. Would a figure of \$140,000 or \$137,000 ring a bell?

Mr. NELSON. Well, that would not be inconsistent with my idea of the size of the transaction.

Mr. HAMILTON. Now, at this meeting between you and Mr. Parr and Mr. Valentine, was there anybody there from the Humphrey organization?

Mr. NELSON. As I recall, it was just Mr. Parr, Mr. Valentine and I.

Mr. HAMILTON. Well, who in the Humphrey organization was aware of this?

Mr. NELSON. Well, the only person that I know of would be Mr. Chestnut, because we asked him to prepare the deal.

Mr. HAMILTON. Now, was that of your recollection, or do you say that because I just showed you the contract?

Mr. NELSON. That is right.

Mr. HAMILTON. And you know of no other people that—connected with Humphrey in any way—that are interested in this?

Mr. NELSON. No.

Mr. HAMILTON. Did Mr. Connell have anything to do in arranging this deal?

Mr. NELSON. No.

Mr. HAMILTON. How about Mr. van Dyk?

Mr. NELSON. I say no, neither one did insofar as I know, and if they did, they would have to have done that with Mr. Parr.

Mr. HAMILTON. But you said, I believe, that you do not know who put Mr. Parr in connection with Mr. Valentine or Mr. Sherman?

Mr. NELSON. No.

Mr. HAMILTON. Let us go off the record just a minute.

[Discussion off the record.]

Mr. SANDERS. I would like to develop some details about some things you have already told us about.

Mr. NELSON. All right.

Mr. SANDERS. First, the matter of your meeting Valentine in a hotel or motel close to the airport. Do you think he may have taken you back to the airport? Do you have any recollection that he met you at the airport, and drove you to the hotel?

Mr. NELSON. No, it seems to me it was the other way around. It could have been otherwise. He may have done both.

Mr. SANDERS. And your purpose in going to Minneapolis then was not to meet with Valentine?

Mr. NELSON. No, there was a meeting—there was a function of some kind for Hubert Humphrey, is my recollection.

Mr. SANDERS. Was it a dinner?

Mr. NELSON. I do not remember.

Mr. SANDERS. Do you think that Parr was the only other official from AMPI to attend that function with you?

Mr. NELSON. That is my recollection.

Mr. SANDERS. Might you recall that officials from other area associations were in attendance at this function?

Mr. NELSON. You see, I do not remember that much about the function itself; except it seems to me that it was a Humphrey function.

Mr. SANDERS. Do you have a recollection of you or Parr expressing some financial commitment to Humphrey at that meeting?

Mr. NELSON. Yes, and that was not a dinner meeting; as I recall, that was a meeting, as I recall, of about—I could be wrong on this—it seems to me just 25 or 30 people.

Mr. SANDERS. Would you explain to me what you recall about a commitment or a declaration?

Mr. NELSON. Well, going around there and talking about the amount of funds that could be raised in the event—I hope I am not wrong about this. This is to the best of my recollection. This was a meeting in which the discussion was the amount of money that could be raised in the event Senator Humphrey decided to run. That is the way I recall it.

Mr. SANDERS. Was the Senator present?

Mr. NELSON. Yes, my recollection is that he was present.

Mr. SANDERS. Do you have a recollection of Chestnut being there?

Mr. NELSON. I think Chestnut was there, too.

Mr. SANDERS. How long have you known Chestnut?

Mr. NELSON. I do not really—I would say he is an acquaintance. I do not really know him. I met him on four or five occasions at meetings such as this, and that sort of thing.

Mr. SANDERS. Do you have a personal acquaintanceship with Senator Humphrey?

Mr. NELSON. Well, I know him better than I know Chestnut. I will not say I am close to Senator Humphrey. I will say this; I have been an admirer of Senator Humphrey ever since I was in junior high school.

Mr. SANDERS. Before going to the meeting, did you and Parr discuss a sum which might be declared at the meeting?

Mr. NELSON. No. Actually, when we went to the meeting, we were not—as I recall—we were not aware that there was going to be any declarations. That is the sort of thing that Parr calls “punt meetings,” punt meetings or something like that, but it developed that that was the kind of meeting it was.

Mr. SANDERS. How much did you declare that could be raised for Senator Humphrey?

Mr. NELSON. I do not recall, but it was a substantial amount.

Mr. SANDERS. Would the sum of \$50,000 refresh your recollection?

Mr. NELSON. I would say it was at least that much.

Mr. SANDERS. Now would it have been your thought and understanding that that meant \$50,000 from TAPE?

Mr. NELSON. Well, in the terms of our thinking, that means \$50,000 from TAPE or ADEPT or SPACE, or whoever we could get it from, to identify it with dairy farmers.

Mr. SANDERS. Did you have any thought that corporate funds would be included to make up that money?

Mr. NELSON. I don't recall that we did, but I wouldn't say that we didn't, either.

Mr. SANDERS. Now, this was in latter 1971; to your knowledge, did—

Mr. HAMILTON. Don, if I may say, I don't believe that he has said it's latter 1971, he doesn't remember the time.

Mr. SANDERS. Well, actually I had in mind that whether it was summer or December, it would be the latter part of 1971.

Mr. HAMILTON. May I suggest a question? May I ask a question?

Mr. SANDERS. Yes.

Mr. HAMILTON. Do you remember what the weather was?

Mr. NELSON. No, I sure don't. It seems to me that it was—I just don't remember what the weather was.

Mr. SANDERS. I presume your travel records would reflect—your expense accounts might reflect travel to Minneapolis for 1971?

Mr. NELSON. Yes, they would reflect it only if I stayed there. If I didn't stay there, there wouldn't be anything to indicate Minneapolis on expense records.

Mr. SANDERS. In other words, it would show air travel, but it wouldn't show the destination, is that what you're saying?

Mr. NELSON. No, no, what I'm thinking is that I probably went there

in a private airplane, so the airplane log would show, but there wouldn't be anything on the expense records that would show.

Mr. SANDERS. All right, so if we had the logs to the AMPI aircraft—

Mr. NELSON. It would show whether it went there.

Mr. SANDERS. I think we have some of those, I don't know if we've gotten them for all of that period, but I think we ought to search it.

Do you have a recollection that prior to this declaration at this meeting, that any AMPI or TAPE funds had been made available to Senator Humphrey that year, for his coming Presidential race, or in the previous year?

Mr. NELSON. What date are we talking about here?

Mr. SANDERS. We're talking some time, about the last half of 1971.

Mr. NELSON. I don't believe any had, in that period.

Mr. SANDERS. You think that in the prior year or two, you hadn't yet made any funds available to Senator Humphrey in anticipation of his Presidential race?

Mr. NELSON. I believe that's right.

Mr. SANDERS. This would have been the first time that you had to face up to that prospect of him running?

Mr. NELSON. I think that's right.

Mr. SANDERS. And it would have been under Parr's auspices that you attended this function?

Mr. NELSON. Yes.

Mr. SANDERS. And under Parr's auspices that you met with Valentine on the occasion of your visit to Minneapolis?

Mr. NELSON. That's right.

Now, when you say, "under Parr's auspices"—

Mr. SANDERS. I mean under his arrangement.

Mr. NELSON. Yes. "Auspices" was a word that was kind of bugging me there.

Mr. SANDERS. Would "arrangement" make you feel better?

Mr. NELSON. I'm not quarreling about the words. What he did, he called me and asked me to go to this meeting and have this man meet me, and so forth. Parr was the man who knew, or saw Senator Humphrey much more often and knew him better than I.

Mr. SANDERS. I presume that Valentine would not have been in attendance at the function?

Mr. NELSON. I don't believe he was.

Mr. SANDERS. Is it your recollection, then, that when he drove you to the airport you and Parr were the only ones in the automobile?

Mr. NELSON. That is my recollection.

Mr. SANDERS. What did Valentine state to you to be his purpose in wanting to have the opportunity to visit with you?

Mr. NELSON. As I recall, Mr. Parr already told me the purpose.

Mr. SANDERS. Before the ride?

Mr. NELSON. Yes, that's as I recall.

Mr. SANDERS. Did it appear to you that what Valentine was interested in was an understanding or agreement with AMPI whereby AMPI would be provided with computer-address listings and make

some payments to Valentine, Sherman to help out with the Humphrey campaign? Or did it appear to you that what Valentine was interested in was AMPI payments for arrangements which had previously been entered into between AMPI and Valentine, Sherman?

Mr. NELSON. You mean previously in the sense that immediately previously?

Mr. SANDERS. No. I am exploring the possibility that at some earlier time, perhaps even months before, that someone in AMPI had made an arrangement or agreement with Valentine, Sherman for the overall project, and I am wondering if this contact, at this time by Valentine, was merely to produce payment for the project previously agreed to.

Mr. NELSON. Well that wasn't the posture it was put in to me. If that is, in fact, the case it isn't the posture—

Mr. SANDERS. All right, now it appeared to you, as of the time that you met with Valentine, that there still at that point was no agreement with AMPI?

Mr. NELSON. That's right. In other words, he didn't indicate to me in any way that he felt at that point that we owed him any money. I take it that's what you're getting at. He didn't—as I recall, he didn't indicate that to me at that time.

Mr. SANDERS. Now, as of that time, that day, had you ever before been aware that Valentine, Sherman was interested in doing work for AMPI?

Mr. NELSON. I don't recall, you know, any—I don't recall their having done any work before. I don't recall having met with Mr. Valentine or Mr. Sherman before that.

Mr. SANDERS. Would you judge it to be unlikely that Lilly would have—Lilly or Parr—would have entered into any such agreement with Valentine, Sherman without in some manner consulting with you?

Mr. NELSON. I would judge it unlikely that Lilly would.

Mr. SANDERS. And from the posture of the meeting, it appeared to you that Parr had not made any prior arrangements?

Mr. NELSON. That was the—as far as anything that—now I want to make it clear; it was clear to me that Mr. Parr had discussed this with them, and had told him that he would have me there to talk to him; that was clear.

Mr. SANDERS. But not that he had made any—

Mr. NELSON. There wasn't any indication on the part of Mr. Valentine that he had made—that Mr. Parr had made a commitment to him or had employed him, and so forth. That wasn't the posture of the meeting.

Mr. HAMILTON May I ask a question here?

Mr. SANDERS. Yes.

Mr. HAMILTON. Do you remember Mr. Parr saying when he discussed it with Mr. Valentine?

Mr. NELSON. It was when we got to Minneapolis.

Mr. HAMILTON. I'm sorry; that question was ambiguous. I don't mean when he said it to you, I mean did he say it when he and Mr. Valentine had gotten together?

Mr. NELSON. No, he didn't as I recall. He may have, but I don't remember.

Mr. HAMILTON. Well, do you remember him saying that they met on an airplane, a private plane, when Mr. Humphrey was—and Mr. Connell was, I believe—flying from Kentucky, back to Minnesota? Does that ring a bell at all?

Mr. NELSON. No, it doesn't. This all took place pretty quick, this particular transaction. I think he took us back to the airport and Mr. Parr made his pitch on the deal and so on.

Now, it might have been that he actually picked us up at the airport and took us to the meeting; and he may have done both, but the way it comes to my mind is that we met him right after the meeting and went to the airport with him, and that's the way it happened.

Mr. HAMILTON. Do you remember ever seeing, or hearing, Mr. Parr talk about a written proposal given AMPI by Valentine, Sherman that spelled out the services that Valentine, Sherman could perform for them?

Mr. NELSON. I sure don't. Was this something that was supposed to have been submitted to the board of AMPI or something?

Mr. HAMILTON. Well, something he submitted to Mr. Parr.

Mr. NELSON. I don't recall ever having seen that.

Mr. SANDERS. Before the date of this meeting with Valentine, had you had any discussions with Parr or Lilly concerning the idea of purchasing farmers' lists for expanding the membership?

Mr. NELSON. No, sir.

Mr. SANDERS. This was the first occasion when this subject had been broached?

Mr. NELSON. I believe so; I don't remember Lilly approaching me at all on this. And, as I recall, the first time this had been brought up to me was when we met Mr. Valentine. Mr. Parr may have mentioned this to me prior to this time, going up there, but I don't believe so.

Mr. SANDERS. Was it indicated to you that these farmers' lists, rural lists, would identify those persons who were dairy farmers?

Mr. NELSON. I believe that it was—that we would have dairy farmers by counties. Now I may be wrong on that, but I believe that's—

Mr. SANDERS. If the dairy farmers had not been indicated, it would have not been of great value to you?

Mr. NELSON. Well, it would have been of value, but it wouldn't have been of much value. It would have eliminated a lot of needless mailing. But it obviously wouldn't have been as valuable if they were by—if it were by dairy farmers, as opposed to all farmers.

Mr. SANDERS. As of that point in time, had AMPI engaged in any mass mailing to increase membership?

Mr. NELSON. No; I don't believe so. The general method was to have country meetings and fieldmen to call on farmers who hadn't yet joined, that sort of thing.

Mr. SANDERS. Do you feel that this was a reasonable, rational way to approach enlarging membership for your association? That is, by a mailing process?

Mr. NELSON. No; I question its value.

Mr. SANDERS. During the meeting with Valentine—this may have been asked and I think in one way you may have answered this—was it indicated to you what the cost would be to AMPI?

Mr. NELSON. Just as I responded to his question, as I recall the figure he gave is within the ball park on it—

Mr. SANDERS. About \$140,000?

Mr. NELSON. Or something like that. I really don't recall the specifics, but that is the general impression I retained.

Mr. SANDERS. I guess what I want to say is that that seems like a substantial expenditure.

Mr. NELSON. No question about it.

Mr. SANDERS. And I presume that in the ride with Valentine, you agreed with him that you would—that AMPI would be committed to that extent? Is that correct?

Mr. NELSON. Well, to whatever—as I say, that figure is in the ball park and it was agreed that AMPI would be committed to whatever the agreed-on figure was.

Mr. SANDERS. So that inasmuch as the rural listings, as you said, might be of some questionable value to AMPI, would it be fair to say that the true thrust of your agreement there was to be of benefit to the Humphrey campaign?

Mr. NELSON. Yes, sir.

Mr. SANDERS. Did it appear to you that the idea to produce membership, or rural lists, for AMPI was a Valentine idea or a Parr-Lilly idea?

Mr. NELSON. Well, I would say that it was a Parr idea. I don't think—as I recall, I don't think Lilly is the guy who thought this up at all. He is the one who later, you know, carried out more or less the execution of the agreement, but he wasn't, as I recall—now I might be wrong about that—but as I recall this was a Parr idea.

Mr. SANDERS. And what I am trying to get at is whether it might have actually been initiated by Valentine, Sherman, or by Parr in order to be of help to the Humphrey campaign?

Mr. NELSON. I think it was initiated by Parr.

Mr. SANDERS. Did you learn at any time from Parr or anyone else that Chestnut had approached one of them—Parr or someone else in AMPI—with respect to this idea; that is, that they solicited assistance for the Humphrey campaign in this manner?

Mr. NELSON. I don't recall that.

Mr. SANDERS. You had no indication that Chestnut was involved?

Mr. NELSON. Not that I recall. If I did, I didn't have the indication from Valentine at all. It would be, you know—if that was suggested to me, it would have been Parr; he would have been the one that told me that. I don't recall him saying that.

Mr. SANDERS. Were you contemporaneously notified at the time that a reel or tape was, in fact, received by AMPI?

Mr. NELSON. I don't know that I was; I don't believe I was.

Mr. SANDERS. Do you think that this was received before you left AMPI?

Mr. NELSON. I don't know; it seems to me that I was notified after I left AMPI that they did have this, or, you know, some of these. But I don't know whether they were received before or after.

Mr. SANDERS. From the time of your meeting with Valentine until the time you left AMPI, did you ever have any discussions or conferences with other AMPI officials, about making some use of the tapes for the benefit of AMPI?

Mr. NELSON. I don't recall any. I may have if I knew about it, but I don't recall.

Mr. SANDERS. All right; now in the ride with Valentine, what was the understanding as to the first payment to be made—how much? Do you have any recollection?

Mr. NELSON. No.

Mr. SANDERS. Do you have any recollection of a mention of reducing the agreement to writing?

Mr. NELSON. No; I don't.

Mr. SANDERS. When you were shown, by Mr. Hamilton, this contract bearing your signature, dated June 10, which is part of Lilly exhibit No. 32*, did you say that you recall signing it?

Mr. NELSON. That's my signature on it.

Mr. SANDERS. Aside from recognizing your handwriting, do you recall signing it?

Mr. NELSON. No; I don't.

Mr. SANDERS. In response to some question by Mr. Hamilton, you did make some mention of just not—I am not sure I understood the full import of what you said. It was something about Chestnut would have known about—that he would have been the one in the Humphrey campaign; he would have been the one who knew about it?

Mr. NELSON. Yes; he prepared the instrument.

Mr. SANDERS. I wanted to ask you, what is the basis of your statement in that respect?

Mr. NELSON. Because I have been shown the instrument that had been prepared by him. There is a cover letter prepared by him with the instrument.

Mr. SANDERS. The cover letter is from Valentine.

Mr. NELSON. Chestnut's name is mentioned.

Mr. SANDERS. Is it solely because of the mention in that letter that you say he would have known about it?

Mr. NELSON. Yes; and, also, he was—as I recall, he was the campaign manager for a while.

Mr. SANDERS. But you have no independent, personal recollection of any knowledge on the part of Chestnut?

Mr. NELSON. No.

[Discussion off the record.]

Mr. HAMILTON. Let's look again at this contract. Why don't you read it here with me? Can you see it? And I want you to answer some questions after reading it.

Mr. NELSON. Yes.

Mr. HAMILTON. Now let me also let you read again the cover letter that was sent to you by Jack Valentine.

Mr. NELSON. Yes.

Mr. HAMILTON. Now, do you remember, having read this, the circumstances surrounding the drawing up of this contract?

*See Book 14, p. 6216.

Mr. NELSON. No; that may have been discussed that night, when we agreed to do this.

Mr. HAMILTON. Well you say here—some of the things in this contract—it says: “The list is desired by AMPI for use in direct mail and/or marketing services as they may pertain to its commercial needs.” Now what does that mean?

Mr. NELSON. It doesn’t mean anything specific to me because I was thinking of the thing always in terms of membership.

Mr. HAMILTON. Would it be fair to say that this contract was to cover the services that were going to be rendered to Mr. Humphrey? In other words, it was a document that really didn’t have much meaning but it was to provide a justification for the services provided Humphrey?

Mr. NELSON. Well, just as I described it earlier, that is exactly—I think this is designed to cover the agreement that we made with Valentine.

Mr. HAMILTON. Now do you have any idea what the two \$25,000’s are for? In other words, you notice the contract says that you will pay, immediately, \$25,000, and it is expected in another 6 to 8 weeks; another \$25,000 would be forthcoming.

Mr. NELSON. No; just a part of the total consideration.

Mr. HAMILTON. Let me show you this invoice that is dated June 15, also part of Lilly exhibit No. 32, which is right after the contract signing date, and this says, “\$25,000, OK, H. L.—”

Mr. NELSON. H-S-N.

Mr. HAMILTON. Are those your initials?

Mr. NELSON. Yes.

Mr. HAMILTON. Did you make this script here? I mean this is your writing?

Mr. NELSON. Yes.

Mr. HAMILTON. This says, “Re Iowa project, consulting services.” Do you have any idea what that was for?

Mr. NELSON. Well, I think that is just Valentine, Sherman disk thing that we were talking about.

Mr. HAMILTON. But do you know exactly what services you performed—Valentine, Sherman performed?

Mr. NELSON. Furnishing those names.

Mr. HAMILTON. To Humphrey?

Mr. NELSON. Well, furnishing us the disks, too, with Iowa names on it.

Mr. HAMILTON. But is it your understanding that in June you got actual lists?

Mr. NELSON. No; I can’t tell you that we did. I don’t believe that we did have them by then. We might have, but I don’t think so.

Mr. HAMILTON. Do you know if this money went solely for lists furnished to Humphrey or some other political candidate?

Mr. NELSON. Well I think they furnished us this list, too, ultimately. I mean I think they furnished this list of rural people—I might be wrong about that, but I think they did.

Mr. HAMILTON. Well, now, there is another invoice here—a different number; actually it is—

Mr. NELSON. No; 157—it’s got the same number.

Mr. HAMILTON. It's got the same number, but it's a different invoice, same date, also part of Lilly exhibit No. 32. And, you've got "OK" on here. And this says "\$25,000 for consulting services, see agreement between Valentine, Sherman and AMPI." Now do you happen to know what this refers to?

Mr. NELSON. I would think it was the same thing.

Mr. HAMILTON. The same thing?

Mr. NELSON. As far as I know. Let's see what this was paid—same invoice, only this says—

Mr. HAMILTON. Same invoice number, only they've got different descriptions.

Mr. NELSON. There's no indication of whether this was—you see they were both sent to Dave Parr before they were sent on to me. I would say it is the same thing. That would be my judgment.

Mr. HAMILTON. What does this "OK" mean? Did you have to approve all payments?

Mr. NELSON. No; but I OK'd those before they went to the comptroller for payment.

Mr. HAMILTON. Why did you OK these?

Mr. NELSON. Well, an effort to exercise some control over the amount of this sort of thing that was done.

Mr. HAMILTON. I don't understand. The amount of what sort of thing?

Mr. NELSON. Of this sort of expenditure.

Mr. HAMILTON. When you say "this sort" you mean political expenditures? You mean major expenditures?

Mr. NELSON. I mean political expenditures.

Mr. HAMILTON. And I take it, this amount was paid by corporate funds, is that right?

Mr. NELSON. Yes.

Mr. HAMILTON. All these payments we are talking about were corporate funds?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. In that contract I showed you a minute ago, it was dated June 10, but the letter, cover letter, was dated August 2. Do you have any idea why the contract was backdated?

Mr. NELSON. No; let's see what the date was on this thing. It's supposed to make it cover these. I would just assume it was just so it would cover those.

Mr. HAMILTON. Well there are a number of other invoices here that I haven't put in any order, but here is one for Kansas?

Mr. NELSON. It would be the same sort of—

Mr. HAMILTON. Are these your initials again?

Mr. NELSON. Yes.

Mr. HAMILTON. And you don't remember any specifics? What it was for?

Mr. NELSON. No.

Mr. HAMILTON. Your understanding of this invoice and the rest of it—I guess the last one I'm going to show you is that they are all payments to Valentine, Sherman and the benefits from these payments would go, one to AMPI, at some future time, and two to Humphrey?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. I've got a number of invoices here, but I'm just showing you the ones with your initials.

Mr. NELSON. Yes; that is my understanding of it.

Mr. HAMILTON. Here is one, this is again for the record.

Mr. GALLMAN. That last one was for \$25,000 wasn't it?

Mr. HAMILTON. For \$20,000. It was Kansas and it was dated November 12.

Here is one dated December 1, for Wisconsin, and it is \$7,000, with your initials on it.

Mr. NELSON. Yes; I think that's right.

Mr. HAMILTON. Again, that is your initial, isn't it?

This one is July 30, 1971, and it is for compilation of residents of rural areas in Minnesota, North Dakota, and Iowa. It is \$25,000.

Mr. NELSON. Yes.

Mr. HAMILTON. And here is an invoice dated September 24, no area. It just says: "Consulting services and the creation of various farm mailing lists." The amount is \$7,000.

Again, that is your signature?

Mr. NELSON. Yes.

Mr. HAMILTON. And one dated September 1, 1971, for Nebraska, \$15,000. And then it's got up here—what is that, "BAL for HSN"?

Mr. NELSON. OK, B-something. That's Bob Lilly for HSN.

Mr. HAMILTON. That's whose handwriting?

Mr. NELSON. I can't tell.

Mr. HAMILTON. You don't know?

Mr. NELSON. No.

Mr. HAMILTON. And I think the next one is September 24 for South Dakota, and it says, "BAL for HSN."

Mr. SANDERS. That's a duplicate of the other.

Mr. HAMILTON. Oh, for \$10,500?

Mr. SANDERS. I thought you said \$7,000.

Mr. HAMILTON. No. I believe these are the only invoices that we have received with your initials on them, or with somebody initialing for you.

Do you recall how many of these invoices you actually saw?

Mr. NELSON. No. It seems like those that Mr. Lilly OK'd, he wouldn't feel compelled to show them to me because he wouldn't OK one that he didn't know was all right with me.

Mr. HAMILTON. So you didn't have to see major expenditures of this type—\$10,000?

Mr. NELSON. No, not if it was something that, you know—that thing was just so big that there was no way that you could sit down and see all the expenditures.

Mr. HAMILTON. Sure.

And you don't know if you approved invoices for a total of over \$100,000 commitment?

Mr. NELSON. No. I would say that I came close to it.

Mr. GALLMAN. That's \$134,000 right there.

Mr. HAMILTON. That's \$134,000 right there.

Mr. NELSON. Of course, all of those didn't have my initials on them. I think that's the gist of your question.

Mr. HAMILTON. Did you ever get the impression or understanding from Mr. Valentine or from Mr. Lilly or from anybody that certain political lists were going to people other than Humphrey?

Mr. NELSON. Well, let's see. I don't know that it was political lists. That may be the reason these things were billed the way they were, some of them showing Kansas, some of them showing Oklahoma, and others that wouldn't be in Humphrey's normal area.

Mr. Lilly would be the one who would have to tell you about that, or Mr. Parr, about money going other than to Humphrey on those situations.

Mr. HAMILTON. What about Oklahoma?

Do you remember any specifics in Oklahoma as to who was getting some benefits?

Mr. NELSON. No, I don't remember the specifics. There may have been some to Governor Hall, and there may have been some in Kansas to Governor Docking. But I can't tell you the specifics.

Mr. HAMILTON. Well, were these prearranged?

In other words, do you know if—do you know how it was determined that these payments or these lists would be provided?

Mr. NELSON. I don't know that lists were provided. That's what I'm saying. There may have been some money sent there. I don't know that lists were provided.

Mr. HAMILTON. Money sent from AMPI there?

Mr. NELSON. Money sent—initially, the money that originated with AMPI, yes.

Mr. HAMILTON. Sent there for what?

Mr. NELSON. Political purposes.

Mr. HAMILTON. Political contributions, directly?

Mr. NELSON. Yes.

Mr. HAMILTON. I want to make sure I understand you right.

Mr. NELSON. Yes.

Mr. HAMILTON. Are you—it sounds like what you are saying is that some of these invoices were for services that weren't rendered, and they were straight political contributions.

Mr. NELSON. That's what I'm saying. It's a possibility. I'm not sure about that. Mr. Lilly or Mr. Parr would be the ones who would have to tell you that.

Mr. HAMILTON. Why do you say it is a possibility?

Mr. NELSON. Well, because on some of those things it says Kansas and Oklahoma and so forth, and I don't believe we were given any lists for those States.

Mr. HAMILTON. When you say "we"—

Mr. NELSON. AMPI.

Mr. HAMILTON. Well, do you know of people in the States who were given any list?

Mr. NELSON. Well, they would be sent to AMPI headquarters.

Mr. HAMILTON. No, I mean political people.

Mr. NELSON. No, I don't. No, I don't know that.

Mr. HAMILTON. Is it fair to say that you're really just speculating, you have no facts?

Mr. NELSON. I have no direct specific knowledge about those situations.

Mr. HAMILTON. Do you have any knowledge besides your speculation, based upon your seeing invoices now and your not thinking that any lists were received from those States by AMPI?

Mr. NELSON. Well then too, I have been told that there were some contributions in those States.

Mr. HAMILTON. Who told you that?

Mr. NELSON. I'm not sure. I believe it was Mr. Lilly, or way back there Mr. Parr.

Mr. HAMILTON. Contributions to whom?

Mr. NELSON. To the people I mentioned.

Mr. HAMILTON. Hall and Docking?

Mr. NELSON. Hall and Docking campaigns.

Mr. SANDERS. Let me ask a question.

Mr. HAMILTON. Sure.

Mr. SANDERS. What we have just been looking at are Valentine, Sherman invoices to AMPI. Now, if AMPI—presumably, AMPI actually sent checks to Valentine, Sherman in payment.

Mr. NELSON. That's right. That's right.

Mr. SANDERS. And what you seem to be indicating is that Valentine, Sherman was the conduit for some money for the candidates?

Mr. NELSON. I'm just raising that as a possibility. I don't know that. I had no such understanding with them. I don't know that. But Mr. Lilly or Mr. Parr would know that.

Mr. SANDERS. OK.

Mr. HAMILTON. Well, did you ever hear of any work being done in the States of Iowa and South Dakota?

In other words, there are a couple of invoices here for work supposedly done in Iowa.

Mr. NELSON. Well, I think we got lists for those States.

Mr. HAMILTON. Do you know if any political figures in those States other than Humphrey got political lists from Valentine, Sherman?

Mr. NELSON. No, I don't.

Mr. HAMILTON. Do you know if Humphrey got any lists from those?

Mr. NELSON. No, I don't actually know that.

Mr. HAMILTON. Do you remember a situation in December of 1971 where AMPI was asked to give \$25,000 to Valentine, Sherman to pay off, or help pay off, a campaign debt that Humphrey had owed Valentine, Sherman?

Mr. NELSON. No. When was this?

Mr. HAMILTON. In December 1971.

Mr. NELSON. No, I don't. We were already making payments to Valentine, Sherman.

You mean in addition to the payments we were making?

Mr. HAMILTON. Well, a specific instance—Did anyone come to you in December or maybe November, Jack Chestnut or Valentine, Sherman, anybody, and ask you to pay an additional \$25,000 to meet a debt, another debt that Humphrey had?

Mr. NELSON. Not that I recall. I doubt that they would have come to me, to tell you the truth. They probably would have gone to Mr. Parr or to Bob Lilly.

Mr. HAMILTON. You don't remember having any discussions about this with Mr. Valentine?

Mr. NELSON. No, I don't believe—the only time I recall having any discussion with Mr. Valentine is up there at that airport that time. Now, I might have had another discussion with him, but I sure don't recall it.

Mr. HAMILTON. Do you recall having any discussion with Mr. Sherman?

Mr. NELSON. I don't recall ever having seen but one of those gentlemen.

Mr. HAMILTON. So this instance doesn't ring any kind of a bell at all?

Mr. NELSON. No.

Mr. HAMILTON. Do you remember ever having any discussion with Valentine about the dangers of using corporate money to pay—

Mr. NELSON. Yes, I think that was just discussed in passing that night in the car.

Mr. HAMILTON. Do you remember the substance, if it was just discussed in passing, what Valentine said and what you said?

Mr. NELSON. No, I can't tell you, you know, what he said and what I said. I said something to the effect that I wanted to make sure that we got services and so forth to back up the invoices. And as I recall, his general attitude was that he wanted it as much as I did.

Mr. HAMILTON. Do you remember who raised it, who brought it up?

Mr. NELSON. No, I don't recall whether I brought it up or whether he brought it up.

Mr. HAMILTON. But you say there was mutual concern about it?

Mr. NELSON. That's right.

Mr. HAMILTON. Did you then, or do you now think that in this you were operating illegally?

Mr. NELSON. Do I now think that?

Mr. HAMILTON. Yes.

Mr. NELSON. No, sir. I don't think that.

Mr. HAMILTON. You think there was nothing wrong with Humphrey getting these services if—

Mr. NELSON. I misunderstood your question. I thought you asked if I now think it was operated illegally.

Mr. HAMILTON. No. My question was whether at that time—let me stick to that time for the moment—you thought this arrangement by which you would pay Valentine, Sherman a certain amount of money and they would provide lists to you and lists to Humphrey was illegal in any way?

Mr. NELSON. At that time?

Mr. HAMILTON. Yes.

Mr. NELSON. No, I didn't think so at that time. I thought, at that time—I thought well, to do it this way will be legal.

But I understood your question a while ago, do I now think that—

Mr. HAMILTON. Well, let me ask you that one.

Mr. NELSON. I now think it is illegal.

Mr. HAMILTON. You think it's illegal?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. And at that time, did you consult a lawyer as to the legality?

Mr. NELSON. No. I don't want to be misunderstood. At that time, when I say at that time I thought it was legal, I'm not trying to make a

self-serving statement, just in the circumstances at the time and so forth, and with the desire to do this thing anyway this seemed to be a logical way that it could be done legally. We were going to get these lists and so forth, and Humphrey would get lists cheaper and so forth. But I am not here to try to say that then it was legal and now it's illegal.

Mr. HAMILTON. No, I understand. I understand.

Mr. NELSON. I am just saying that there's no point in trying to gild the lilly. I recognize it as being illegal.

Mr. HAMILTON. No, I understand you, and I'm sorry if I didn't make the question clear at first.

Mr. NELSON. No, I probably misunderstood you.

Mr. HAMILTON. Don, I interrupted you.

Mr. SANDERS. You then have no recollection of receiving any—of having any discussions with Parr or Lilly as the months progressed after the meeting with Valentine about making payments to Valentine, Sherman?

Mr. NELSON. Well, if I had any, they would have been with Lilly about making payments. But I don't—

Mr. SANDERS. Aside from the fact that your initials appear on any of these invoices, you have no independent recollection of any conversations with any other AMPI officials concerning these payments to Valentine, Sherman?

Mr. NELSON. No.

Mr. SANDERS. Have you at any time talked with Jack Chestnut or Senator Humphrey concerning this AMPI arrangement with Valentine, Sherman?

Mr. NELSON. No. I might have with Jack Chestnut at the time he sent that contract. You know, he might have called me or something. But I don't recall having had a conversation with him about this, and certainly not with Senator Humphrey.

Mr. SANDERS. During your auto ride with Valentine, did he give you any indication of—did he make any statements concerning benefit of any kind which would accrue to the Humphrey campaign?

Mr. NELSON. Yes; he said that this would make it possible for them to furnish lists to the Humphrey campaign for much less than they otherwise would be able to do it.

Mr. SANDERS. Did Parr make any remarks with regard to benefits which would accrue to the Humphrey campaign?

Mr. NELSON. Well, I can't tell you specific remarks, of course. Parr wanted to do it.

Mr. SANDERS. That's all, Jim.

Mr. GALLMAN. Off the record.

[Discussion off the record.]

Mr. HAMILTON. Go back on the record.

This is somewhat of a pedantic question, but as we talk, can you remember any meeting that you had with the Humphrey people—the AMPI people had with the Humphrey people, somewhere in Minnesota, maybe in a tent at a fundraiser?

Mr. NELSON. You see, this is a question that has bugged me, because you're not the first person who has asked me, and that's the first time the tent question has been raised, but at a meeting like at Waverley and so forth, and I've never been to Waverly in my life. The only

person that I know of who would have been in any such of these things that you're asking about, this would be Mr. Parr. I don't think any other person from AMPI would have been there. I don't think Mr. Lilly would have. I was at a meeting, it was a very short meeting, one time, and I can't really remember the purpose of it. It was when Senator Humphrey was teaching at MacAlister College—I think it's MacAlister College there—and he had a home close to the campus. And Mr. Parr and I went by there, and there were a few other people there. But I was never at his home at Waverley, and I have never had a meeting, I have never attended a meeting in a tent, and I have never heard that one until just right now when you asked the question.

Mr. HAMILTON. Well, you say other people have been asking about this meeting.

Who do you mean, the prosecutors?

Mr. NELSON. Yes. They asked me about the meeting, and then somebody—I guess it was you or Carter asked me about it. And I just don't know anything about it.

Mr. HAMILTON. Well, considering your meeting with the prosecutors in regard to this Valentine, Sherman business, did they go into any areas, or did you tell them anything more than you just told us?

Mr. NELSON. As a matter of fact, I told them less, because they didn't show me these documents and take me through it like you did. I told them essentially that it was a deal to provide these tapes so that Humphrey would get the money, get these services for less money, and that we did make payments, and I couldn't tell them the amount. That is just about the sum and substance of my testimony.

Mr. HAMILTON. Well, are there any aspects of your relationship with Valentine, Sherman that you haven't told us now?

Mr. NELSON. No, there sure aren't.

Mr. HAMILTON. I mean, have we exhausted your knowledge?

Mr. NELSON. You've exhausted my knowledge. I'll tell you, the only person I could talk to that might refresh me or give me more than I have told you would be Mr. Lilly. If I called him and told him that we had had this conversation about this—

Mr. HAMILTON. Why do you think Mr. Lilly would be—

Mr. NELSON. He's the only one who knows about the actual tapes that were received and that sort of thing.

I don't think—I'll be honest with you—I don't think he can tell me anything I haven't told you.

Mr. HAMILTON. Well, have you had discussions with Mr. Lilly since you left AMPI?

Mr. NELSON. I asked him about Valentine, Sherman one time, and he told me they did have some tapes over there. That's the only discussions I have had with him.

Mr. HAMILTON. Did he ever tell you that any documentation had been prepared to support the receipt of those tapes?

Mr. NELSON. No. To support the receipt of the tapes by—

Mr. HAMILTON. By AMPI. To support the expenditures in more detail?

Did he ever tell you that a series of correspondence between himself and Mr. Valentine had been prepared by Mr. Valentine?

Mr. NELSON. I don't recall this.

Mr. HAMILTON. And a set of invoices that would support the transaction?

Mr. NELSON. No. I knew these invoices that you showed me.

Mr. HAMILTON. No, I'm talking about other invoices.

Mr. NELSON. No, I don't recall his having told me that at all.

You mean in addition to these?

Mr. HAMILTON. Yes.

Mr. NELSON. No.

Mr. HAMILTON. This is the first time you've heard of that?

Mr. NELSON. Yes, sir.

Mr. GALLMAN. Off the record.

[Discussion off the record.]

Mr. SANDERS. On the record.

I want to show you, Mr. Nelson, some notes which have been provided to us by Lilly*, and it runs for several pages here, and I would like you to look at this and see if it means anything to you, or refreshes your memory.

Mr. NELSON. This is referring to that agreement that I looked at a while ago?

Mr. SANDERS. Well, possibly, yes. You see, Lilly is getting a lot of this second-hand and making notes, as it comes to him.

Mr. NELSON. I see.

I assume, you see, that this means that I OK'd bills for this, and Dave Parr did for these two, and I did for these two.

Mr. SANDERS. Yes, and so your initials in Lilly's handwriting appear opposite—

Mr. NELSON. Minnesota.

Mr. SANDERS [continuing]. Payments of \$45,000 and \$5,000 for Minnesota, a total of \$50,000.

Mr. NELSON. And also for Iowa.

Mr. SANDERS. Right.

Now, does that mean anything to you?

Does it indicate to you that you had approved some payment of funds to Valentine, Sherman in advance for projects in Iowa and Minnesota, or only that you approved payments?

Mr. NELSON. I think, as far as I'm concerned, I approved the payments as invoices came across.

Mr. SANDERS. OK.

Let's take a look at the next page now. Now, this indicates "50 for HHH, 50 Iowa to Hughes per HSN."

Do you have any recollection that Senator Hughes was getting any benefits for the Iowa work?

Mr. NELSON. No.

Mr. SANDERS. Deloss Walker, West Memphis.

Do you know Walker?

Mr. NELSON. I don't. I think I met him one time on an airplane. He has been a campaign manager for some candidates, I think among others—

Mr. SANDERS. He was a professional?

Mr. NELSON. A professional campaign manager.

Mr. SANDERS. This is similar.

Mr. NELSON. This is "5 TAPE, HSN". I guess that means that was expended by TAPE out of TAPE funds as per me, I guess. I think that's what he's talking about.

*See Weitz affidavit, Book 14, p. 6222.

Mr. SANDERS. But all of the invoices that we have just shown you today were paid out of AMPI funds.

Mr. NELSON. Yes; now, that is my understanding. That is my total understanding. I could be wrong about that, but I don't think they were paid.

Mr. SANDERS. This says, "Cheese pro and INS".

Mr. NELSON. What does that look like to you, "thermal mugs"?

Mr. SANDERS. It could be.

Does that mean anything to you?

Mr. NELSON. No.

Mr. SANDERS. That would merely be an accounting of the invoices in there?

Mr. NELSON. Yes.

Mr. SANDERS. That's a duplicate?

Mr. NELSON. Yes.

Mr. SANDERS. That also looks like a duplicate.

OK, that's all.

Mr. NELSON. That's it?

Mr. SANDERS. Did AMPI fulfill the \$50,000—approximately \$50,000 declaration which was made for Senator Humphrey at the function in Minneapolis?

Mr. NELSON. I don't know. I forget. When was that function? Was that the fall of 1971?

Mr. SANDERS. I don't know the date. We're going to have to look at the private plane logs to come up with that.

Mr. NELSON. I don't know.

Mr. WEITZ. Its almost 6:30 p.m. and we can't finish tonight so maybe we should recess until tomorrow morning at 9 o'clock.

[Whereupon, at 6:25 p.m., the hearing in the above-entitled matter recessed, to reconvene at 9 a.m., December 19, 1973.]

WEDNESDAY, DECEMBER 19, 1973

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 9:10 a.m. in room G-334, Dirksen Senate Office Building.

Present: David Dorsen and Jim Hamilton, assistant chief counsels; Alan Weitz and Dennis Summers, assistant majority counsels; Donald Sanders, deputy minority counsel.

Mr. SANDERS. This is a continuation of the executive session we held yesterday, December 18, with Mr. Nelson, and it is understood that he continues to be under oath today as he was yesterday.

Mr. Nelson, I want to read into the record these two short paragraphs, and then ask your comment on them. These are from notes which were furnished to us by Bob Lilly:

On July 19, 1971, Harold Nelson requested Bob Isham to issue a check to Valentine & Associates for \$25,000. Isham complied, and Harold Nelson took the check with him, and I assume delivered it to Valentine. On the day he issued the check, Isham asked me if I knew who Valentine was. I told him I had no idea.

I think it might be better to take these two paragraphs separately.

Do you have a recollection of asking Isham to issue a \$25,000 check to Valentine & Associates in July of 1971?

TESTIMONY OF HAROLD S. NELSON—Resumed

Mr. NELSON. No; I have no independent recollection of that.

Mr. SANDERS. Is this something that is impossible or possible and you just do not recall?

Mr. NELSON. Oh, yes. It is possible. I do not question that the check was issued. I just say that I have no recollection of the transaction.

Mr. SANDERS. It is then said that you took the check with you and delivered it to Valentine.

Now, if you had personally delivered a check to Valentine, I presume you would have some recollection of it.

Mr. NELSON. I assume so, and I have no recollection of having delivered it to him myself.

Mr. SANDERS. Do you think, then, that this is incorrect?

Mr. NELSON. I think he is in error there as to how the transaction was handled.

Mr. SANDERS. Did you want to ask something Jim?

Mr. HAMILTON. This said, "I assumed delivered it to Valentine."

Do you remember, instead of delivering it to Valentine, putting it in the mail?

Mr. NELSON. No. You see, the way any checks are handled, I would not have personally put them in the mail. And I have no recollection of having taken a check to Valentine at any time. So I assume the

(6599)

check was either taken by someone else or mailed, but I cannot tell you how it was actually delivered to Valentine.

Mr. GALLMAN. There is a possibility that Dave took it.

Mr. NELSON. There is. It is possible. It is possible that Mr. Parr took it. But I cannot tell you that he did, because I have no recollection of that particular check.

Mr. SANDERS. From your knowledge of the general operation of your association, would you think it more likely that a \$25,000 check for such purposes would have been personally delivered, as opposed to mailed?

Mr. NELSON. It could have been either way. It just could have been either way.

Mr. SANDERS. All right.

The next paragraph:

At about the same time, Harold Nelson, Dave Parr, Jack Chestnut, and possibly Tom Townsend and others met at the home of Hubert Humphrey in Waverly, Minn. Shortly after this meeting, Harold Nelson, Dave Parr, and Tom Townsend told me in San Antonio that we were committed to \$140,000 to Hubert Humphrey and Wilbur Mills through Valentine and Associates, who were to print names and addresses of farmers in Iowa, \$50,000; Kansas, \$25,000; Oklahoma, \$15,000; Minnesota, \$45,000; Minnesota, \$5,000, the last \$5,000 to go to Hubert Humphrey from TAPE.

Now, you indicated, I believe, to us yesterday that you have absolutely no recollection of ever being at the home of Humphrey in Waverly?

Mr. NELSON. That is right.

Mr. SANDERS. In fact, that you can say that you have not been there. You would remember it if you had been there?

Mr. NELSON. I am certain I would, and I have no memory of ever being in Waverly, Minn., at any time.

Mr. SANDERS. Do you know whether Parr ever met in Humphrey's home with any persons from the Humphrey campaign?

Mr. NELSON. I cannot tell you when and so forth, but I know that Dave Parr has told me that he has been to Hubert Humphrey's home in Waverly, Minn.

Mr. SANDERS. Would you know the time frame on this?

Mr. NELSON. No. What's in this paragraph? I'm thinking it might help us.

Mr. SANDERS. The first paragraph said: "On July 19," and the second paragraph begins by saying: "At about the same time."

Mr. NELSON. Right. Yes, I am just trying to—when I talk to this pilot I might be able to get something.

Mr. SANDERS. Can you put any time frame on Parr's presence in Humphrey's home?

Mr. NELSON. No.

Mr. SANDERS. Would it be on more than one occasion, do you think?

Mr. NELSON. I am under the impression that it was on more than one occasion. But I could be wrong about that.

Parr on several occasions talked to me about the possibility of our going to Senator Humphrey's home, but we never did. As I told you, the only home was the one on the campus or close to the campus at Macalester College. I was there one time.

Mr. SANDERS. What was the context of Parr saying to you that you might go to Humphrey's home?

Mr. NELSON. Well, to participate in activities concerning the Humphrey campaign.

Mr. SANDERS. Following the 1970 senatorial campaign or during that time?

Mr. NELSON. I cannot tell you.

In context, as I recall, it was both during that time and following.

Mr. SANDERS. Did Parr ever tell you of a meeting he had with Chestnut?

Mr. NELSON. I think he has had more than one meeting with Chestnut.

Mr. SANDERS. Do you remember any in particular?

Mr. NELSON. No, I cannot pinpoint them. Chestnut would be present at any meetings where we met with Senator Humphrey, to the best of my recollection. There may have been some in which he wasn't present, but I would say he was generally there.

Mr. SANDERS. Did you ever learn that Townsend had been in Senator Humphrey's home?

Mr. NELSON. No. If he was at the time, they probably told me. But I do not recall anything about Townsend being in Senator Humphrey's home. The only one I really recall being there is Parr.

Mr. SANDERS. Townsend worked for Parr, would that be a correct description?

Mr. NELSON. That is right. Townsend, I believe during all of this period—there was a period when Townsend, I believe, was in San Antonio. But I believe during this period we are talking about that Townsend was actually living in Little Rock and working with Parr.

Mr. SANDERS. The paragraph continues to say that: "Shortly after the Waverely meeting, Nelson, Parr, and Townsend told me—Lilly—"that we were committed to \$140,000 to Humphrey and Mills through Valentine and Associates."

Do you recall making such a statement to Lilly?

Mr. NELSON. No, I do not. I think he was probably told that by Parr, and he just remembers it otherwise. I do not recall Mills being connected with this in any way, shape, or form. My recollection is that it started off as strictly a Hubert Humphrey matter.

Mr. SANDERS. Do you have a recollection of any decision to pay part of whatever you felt was your obligation to Humphrey from TAPE, and to pay the rest of it through—by use of AMPI funds—through Valentine and Associates?

Mr. NELSON. No, that would be the sort of thing that Lilly would keep track of.

Mr. HAMILTON. When Parr talked about meeting at Humphrey's home, did he mention that there was a tent put up on the lawn, a fundraiser?

Mr. NELSON. No, the first I recall about a tent was when one of you mentioned a tent to me yesterday.

Mr. HAMILTON. I think it was me, but I just wondered now if you can recall that Parr said something about that. We know that there were certain AMPI officials there.

Mr. NELSON. It would be Parr who was there. There may have been somebody else, but I am sure that at any such thing where we were represented Parr would be there, and he might have had one or two

other people there. I do not believe that it was Lilly. He might have had Townsend because Townsend did go with him frequently.

Mr. HAMILTON. Would Parr have had the authority to commit AMPI to \$140,000?

Mr. NELSON. Well, Parr would have done it unhesitatingly. I can tell you that. There is a question about whether he actually had the authority or not.

Isn't this the same money that we were talking about that—my recollection is that we agreed—in that car in Minneapolis?

Mr. HAMILTON. There is some confusion there as to when that meeting in Minneapolis took place, and what the substance was. I don't want to hide the ball from you. Mr. Valentine has a different recollection of that meeting, and he thinks it was at the tail end of your relationship, rather than at the beginning.

The meeting in Minneapolis was at the tail end rather than the beginning.

Mr. SANDERS. And his purpose in seeing you was to expedite payment, rather than to enter into an agreement.

Mr. NELSON. His recollection is that the agreement had already been entered into?

Mr. HAMILTON. Yes.

Mr. NELSON. That is not mine. I am sorry.

Mr. SANDERS. We are not offering that as the gospel truth.

Mr. NELSON. I'm telling you, I'm sorry. His memory may be better than mine, but my recollection is that that is when this whole thing was discussed—it was not a long discussion. That this was a way to get this done, and I just do not think that it was ever discussed earlier.

Mr. HAMILTON. Are you pretty firm in that recollection?

Mr. NELSON. I'll tell you what. I have been, during the course of all this I have been going through, it becomes increasingly difficult for me to be firm in recollections, but that is the recollection I have of it, that that is when it took place. That is the only discussion I ever recall having had about this sort of thing.

Mr. HAMILTON. Do not get us wrong, Mr. Nelson. I think you have been rather forthright in admitting that this proposition that you entered into, you now think was illegal. We do not think you are trying to duck anything.

Mr. NELSON. I understand that.

Mr. HAMILTON. But these confusions in facts, we are just trying to work them out.

Mr. NELSON. I understand that, and I want to say to you, I appreciate the whole tone and tenor, the way I have been treated yesterday and today. I want to make that clear. And I am trying to cooperate, and I do not like to dispute something when I do not have a concrete deal, but in my best recollection I do not believe I met Mr. Valentine on any other occasion. If you have some date or something when I was supposed to, it might help me recall. But I do not believe that I ever met him before.

Mr. HAMILTON. I think that the account that we have—I do not want to go into it all, but I am not sure that we do have you meeting with Valentine on any other occasion. But we do have Parr meeting at an earlier time.

Mr. NELSON. I think that is probably correct, because the impression that I had at that time was that Parr had seen him.

Mr. HAMILTON. But considerably before.

Mr. NELSON. Well, that could be.

Mr. HAMILTON. Well, Don, do you want to move on from there?

Mr. SANDERS. I think that is all on that point.

Mr. NELSON. And I am firm on this. It was in connection with some Humphrey meeting we attended there, and I think I can find out from this pilot.

Mr. HAMILTON. Well, that is agreed. I want to ask you about AMPI's relationship with Wilbur Mills.

Mr. NELSON. All right.

Mr. HAMILTON. And I guess maybe we should start this the same way that we started the Valentine, Sherman business yesterday, just let you tell us what you know about AMPI's support for Mills, either in terms of contributions from TAPE or SPACE, from AMPI, on terms of services rendered for Mills by AMPI, or anything of that nature, bills paid for Mills and so forth.

Mr. NELSON. Well, first, just a little background on the situation. Chairman Mills is probably the most knowledgeable man in Washington when it comes to milk marketing problems. I am talking about Federal milk orders. They are very technical things and take a lot of expertise. It fits his general intellectual bent and so forth, and he has devoted a lot of time to it because he has a lot of dairy farmers in his district. And I would say when it came to that sort of thing, he could—well, he would know more than a Secretary of Agriculture about the niceties of the Federal orders and so forth, and he was full of the subject. And he performed a yeoman's service, not just on AMPI, but for all dairymen when it came to putting forth their position.

So they were all very favorably disposed. In other words, Wilbur Mills is the man who has a great constituency among dairy farmers generally. There is no question about that.

Now, insofar as I know—you understand, this Mills Presidential campaign thing really got rolling after I was no longer general manager, so I cannot tell you about TAPE funds that went to Wilbur Mills, or I am not aware of any bills that were paid for Wilbur Mills.

Now, a short time after I left, it was brought to my attention that we had two people who—a man and a secretary—who had an apartment in Washington, and had had an apartment since within, say, 60 days of my leaving.

Mr. GALLMAN. It was two apartments.

Mr. NELSON. Yes. I do not want to make it sound like a clandestine affair. There were two apartments, and they were devoting a substantial time, if not all of their efforts, to try to generate support for Mills' campaign.

Now, I want to say this. I was not consulted about that. That was done at the instance of Mr. Parr. I do not want to be misunderstood on this. I will be candid to you. I think the dairymen of this country owed that guy everything they could do for him, and had I been consulted at that time in the content of the situation then, I would have unhesitatingly approved it. But it was just something that I did not know about.

Now with that, I will be glad to answer any questions you want to ask me about anything.

Mr. HAMILTON. What were these people's names?

Mr. NELSON. I cannot give you the girl's name. The man's name was Joe Johnson.

Mr. HAMILTON. And he was on the AMPI payroll?

Mr. NELSON. He was on the AMPI payroll at that time.

Mr. HAMILTON. Do you know where he is now?

Mr. NELSON. No; I do not know where he is right now.

Mr. HAMILTON. With whom in the Mills staff was this arrangement worked out?

Mr. NELSON. I do not know. I do not know that it was actually anybody on the Mills staff. I do not know that the chairman even knew of the situation. I am inclined to think that it was with somebody connected with the campaign. I tell you frankly, I think if the chairman would have known it, he would have said, don't do it.

Mr. HAMILTON. You make a distinction between the campaign staff and the Hill staff?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. But this thing was arranged by Parr?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. Now, in 1971 are you aware of AMPI's paying for some farm rallies that were held for Mills?

Mr. SANDERS. Jim, before we leave the Washington sequence, let me ask some questions about that. You are apparently going on to something else.

Did you have direct conversation with Parr about the persons working in Washington?

Mr. NELSON. The conversations I had, I had with—Dr. Mehren is the one who told me about it. You know, I do not remember whether I did because at that time I was no longer general manager, and I did have a few conversations with Parr after that. But I do not know that I ever really discussed that with him.

Mr. GALLMAN. You confirmed it with Joe.

Mr. NELSON. Yes; but he is asking me about Parr now.

Mr. SANDERS. You have confirmed it with Joe Johnson after you left AMPI?

Mr. NELSON. Yes, sir.

Mr. SANDERS. For what purpose?

Mr. NELSON. For determining the facts.

Mr. SANDERS. And under what circumstances did you talk with him—by telephone?

Mr. NELSON. I talked to him personally about it.

Mr. SANDERS. Where?

Mr. NELSON. I talked to him in San Antonio.

Mr. SANDERS. Was he called back there for this purpose?

Mr. NELSON. He came back there to tell them—I do not recall whether he was called back or whether he voluntarily went back to tell them that he was going to quit because—you would have to get him to tell you about the conversation. He told me, but I do not remember. He had a conversation with Dr. Mehren and it was indicated that Dr. Mehren did not want to continue that arrangement, and he

told me that in that event he would resign because he wanted to work on this thing for Mills. I think it was an amicable separation.

Mr. SANDERS. Could you give me an approximation of how long after you left AMPI this occurred?

Mr. NELSON. This is an absolute approximation. I want to make that clear. But I would say 2 or 3 weeks.

Mr. SANDERS. I do have documentation from AMPI showing that Johnson was discontinued as of the end of January 1972.

Mr. NELSON. That would be within 2 weeks.

Mr. SANDERS. Could you provide me with some more details of what Johnson told you of his work in Washington, or the arrangement by which he came to be doing it?

Mr. NELSON. As I understand it, it is a thing that evolved out of Johnson's starting out doing a little, and gradually doing more. He is a very capable fellow, the kind of guy that responsibilities flow to, and it was just a thing that evolved to the point to where he would not be doing anything but that.

Mr. SANDERS. Toward the end of his employment with AMPI, would he have been under the supervision of Mr. Parr?

Mr. NELSON. Yes. I will tell you what. If this is real important to you, I would have to check it. He initially was under the supervision of Mr. Parr, and then for a time he was in another division, and then as I recall he went back with Mr. Parr. But at the time he was doing this he was under Mr. Parr's supervision.

Mr. SANDERS. It would be highly unlikely that Johnson would have been doing this work in Washington for Mills without the knowledge of Parr?

Mr. NELSON. I adopt your phraseology.

Mr. SANDERS. In your conversation with Johnson in San Antonio, did he tell you of approval by Parr or involvement by Parr in his activities in Washington? That is, that Parr was involved in Johnson working into this arrangement?

Mr. NELSON. Oh, yes. That is no—I would view that as an undisputed fact.

Mr. SANDERS. You might say that from your knowledge of Parr and Johnson but I am wanting to know whether you recall whether Johnson actually articulated this to you?

Mr. NELSON. You mean that Mr. Parr knew and that he did this at his instance and request?

Mr. SANDERS. Yes.

Mr. NELSON. That is not his phraseology, but that is the sense of what he told me.

Mr. SANDERS. All right.

Did you get some idea of how long it had been continuing?

Mr. NELSON. Yes. My understanding is that it was from November, the preceding November.

Mr. HAMILTON. In other words, 3 months?

Mr. SANDERS. It could be November, December, and January possibly.

Mr. NELSON. I do not know what time in November.

Mr. SANDERS. Could the other person be Terry Shea?

Mr. NELSON. It was a girl, a secretary.

Mr. SANDERS. Is Terry Shea a male?

Mr. NELSON. Yes.

Mr. SANDERS. Do you know whether Terry Shea was also working in Washington for Mills?

Mr. NELSON. Yes; I know that he worked for Mills. But I cannot tell you when. You see, I am under the impression that it was after this time. It may have been contemporaneously.

Mr. SANDERS. Are you saying that you have no knowledge that Terry Shea worked for Mills before he was terminated from the AMPI payroll?

Mr. NELSON. I do not even know when he was terminated, to tell you the truth.

Mr. SANDERS. He was terminated in January.

Mr. NELSON. At the same time. Well, Mr. Johnson could tell you. I cannot tell you.

Mr. SANDERS. In your conversation with Johnson, did he mention any work of Shea for Mills?

Mr. NELSON. I do not have an independent recollection of that, but I do know that Shea was doing some work. And that is what I say. I cannot tell you at what period of time Shea was doing this.

Mr. SANDERS. Under whose supervision would Shea have worked in AMPI at the end of 1971?

Mr. NELSON. I will tell you. I never did really know Shea. I knew who he was. I could point him out. I do not recall whose division he was in.

Mr. SANDERS. It is your understanding that in addition to Johnson and Shea there was also a secretary here in Washington?

Mr. NELSON. Yes, sir.

Mr. SANDERS. Do you think the secretary was under Parr's supervision at AMPI?

Mr. NELSON. Yes, she was from the Arkansas division. I don't recall her name, do you?

Mr. GALLMAN. I think it was Marie something, wasn't it? She wouldn't have been Parr's secretary?

Mr. NELSON. I do not think so—she may have.

Mr. GALLMAN. She had been a longtime employee, I remember.

Mr. NELSON. Yes. I would know her name if I heard it, see, but—

Mr. SANDERS. Does the first name "Marie" sound right to you?

Mr. NELSON. It may be that, but it is not ringing a bell with me right now.

Mr. SANDERS. You learned then that in addition to these employees working for Mills while on the AMPI payroll—let me ask you also. Is it your understanding that during the tail end of 1971 and the first part of 1972 they were working fulltime for Mills, or virtually fulltime while on the AMPI payroll?

Mr. NELSON. I do not want to say that they did not do other things, but substantially that is what they were doing.

Mr. SANDERS. Then you learned that AMPI was paying for apartments they had in Washington?

Mr. NELSON. On the theory that it was cheaper to have an apartment than to pay hotel rooms.

Mr. SANDERS. Did you ever learn that AMPI was paying for Mills' office space in Washington—campaign offices space?

Mr. NELSON. No, sir.

Mr. SANDERS. Do you have any knowledge of AMPI payments for any other Mills expenses in Washington?

Mr. NELSON. No, sir.

Mr. HAMILTON. Well, I was going to ask you about some rallies, farm rallies that were held for Mills in 1971. I do not know where these were.

Mr. NELSON. Well, I will tell you what. I do not know precisely to what you are referring. I think I know. They have been called Mills farm rally, a big meeting in Iowa. But that was not a Mills rally. Mills spoke because we asked him to at this rally, but there were a lot of other—I cannot tell you who, but there were a lot of other elected people there. And the idea was to make a big show of farm strength at this meeting, and there were a lot of other organizations involved besides AMPI in getting this group together. I cannot tell you now. I can find out who all worked in this effort, but it was—that is the only rally as such that I recall.

Mr. HAMILTON. How about one in Arkansas?

Mr. SANDERS. I am going to ask a few more about Iowa, if you are going on.

Mr. HAMILTON. Well, OK. I was going to come back to that, but go ahead.

Mr. SANDERS. I do have some documents from AMPI concerning the Iowa rallies which were given to an accountant to schedule. I do not have them with me this morning, but I do recall that they relate to a rally in Ames on October 2, 1971.

Mr. NELSON. That would be the one that I am talking about.

Mr. SANDERS. And it seemed to me that there were invoices for expenses of transportation from various points in Iowa.

Mr. NELSON. Farmers [nods in the affirmative].

Mr. SANDERS. And you think that this rally on that occasion was not specifically for the benefit of Wilbur Mills?

Mr. NELSON. That is right. That is right. And I will tell you frankly, in that, I think that is a proper expenditure of AMPI funds, to get those farmers to that rally.

Mr. SANDERS. You say other persons spoke?

Mr. NELSON. I say other elected officials were there. I could not tell you who all was there, but there was an effort made to get as broad a spectrum as possible at that meeting. I think you will find that there were both Republicans and Democrats there. I do not think it was a partisan——

Mr. SANDERS. It was a show of dairy strength?

Mr. NELSON. Not only dairy, but others. It was not strictly dairy.

Mr. SANDERS. Were you present at the rally?

Mr. NELSON. No, I don't believe so. As a matter of fact, I believe we had a board meeting the same day, and I believe the board meeting was in Wisconsin. That is just my memory. I have not checked any records.

Mr. SANDERS. Do you know whether Parr attended?

Mr. NELSON. I believe he did. I believe Parr attended.

Mr. HAMILTON. Are you asking about the rally or the board meeting?

Mr. NELSON. I am talking about the rally.

Mr. SANDERS. That is what I am talking about. Since Mills was there, I wondered if Parr might have been there?

Mr. NELSON. I am sure that Parr was at the rally. That is my recollection of it.

Mr. SANDERS. Whose idea was it to hold this rally?

Mr. NELSON. I would say it was Parr's. He gets maligned a lot, but he is a very creative guy, and I would say that it was conceived by him.

He also had the idea of trying to fill a football stadium with farmers, which actually sounds wild, but it's not such a bad idea. He just never did get around to getting it done.

Mr. SANDERS. You do not know of any other Iowa rallies which were addressed by Mills, other than the one that we have just mentioned?

Mr. NELSON. I do not believe so.

Mr. HAMILTON. Well, let me stay on the Iowa rallies.

Who gave you your account of the rally?

Was it Parr?

Mr. NELSON. I do not recall. I will tell you, it was probably Parr, and it was probably Johnson, and that would be about it.

Mr. HAMILTON. Was Mills the only speaker?

Mr. NELSON. I am not sure. I believe maybe—you see, I do not remember much about this rally. I think that probably the Governor spoke too. I do not know. It seems to me that there were some—a lot of things happen when you start setting up things like this, and I think as I recall, there was a football game that day too, which did not do a lot for attendance. They had a big rally, as I recall. But football weekend is a bad weekend to have rallies, as far as attendance is concerned. I cannot tell you who the speakers were. Mills would be the—he was the top luminary there, if you want to put it that way.

Mr. HAMILTON. Do you know if there were any placards or signs around, "Mills for President"?

Mr. NELSON. If there were it was not reported to me.

Mr. HAMILTON. I take it then, that to your knowledge AMPI did not organize the preparation of signs?

Mr. NELSON. Of Mills for President? Not to my knowledge.

Mr. HAMILTON. How much money did you spend on this, do you know?

Mr. NELSON. I do not recall. As I recall, it was a large amount of money.

Mr. HAMILTON. Are you thinking of \$25,000?

Mr. NELSON. I was thinking more than that.

Mr. HAMILTON. How much were you thinking?

Mr. NELSON. I was thinking of as much as \$100,000. I don't know, but it's just in the back of my mind. I was thinking that.

Mr. HAMILTON. How many people attended?

Mr. NELSON. I do not know. Several thousand as I recall.

Mr. HAMILTON. How many were you shooting for?

Mr. NELSON. We always shot for more than we got—I would say if there were 10,000 there, we were probably shooting for 20,000.

Mr. HAMILTON. It would cost you \$10 a head. Was any publicity put out—any fliers or anything?

Mr. NELSON. I don't know about those details, but I am sure the main effort made to get people to a rally like that would be made through farm organizations, getting them to notify their memberships, send their people out.

Mr. HAMILTON. What was the purpose of the rally?

Mr. NELSON. The purpose of the rally was to get farmers to come, and to get them to start participating in political efforts, show strength.

Mr. HAMILTON. But most rallies have a theme, either you want something or you want to support somebody.

Mr. NELSON. I do not know what the theme of the thing was. I do not recall.

Mr. HAMILTON. But the theme, according to you, was not "Let's select Wilbur Mills"?

Mr. NELSON. I do not think so. I would tell you this much, if it were, I would be greatly surprised. It is not my recollection of that.

Mr. SANDERS. Was it your understanding that Parr was an early supporter of the idea of Mills for President?

Mr. NELSON. I think there would be no question about that.

Mr. SANDERS. And might not it be possible that at the beginning of October of 1971, the idea in Parr's mind for developing support for Mills for President might have been working already, and that he might have conceived this rally as something to give greater exposure to Wilbur Mills?

Mr. NELSON. That is a possible hypothesis.

Mr. SANDERS. I recognize that it is just a hypothesis, and you do not know any facts to bear on it.

Mr. HAMILTON. Do you have any other facts about this rally?

Mr. NELSON. No; because I did not attend the thing.

Mr. HAMILTON. Did you approve the expenditures?

Mr. NELSON. I approved going ahead with the project, if that is what you mean.

Mr. HAMILTON. I am still a little confused about the theme. I do not understand why you had a rally unless you wanted to show support for higher milk support prices or——

Mr. NELSON. It was generally for farmers. I recall it was not limited to dairy, it was broader than dairy. It was agricultural, but it was not—it was broader than dairy, as I recall, it was the whole broad spectrum of agriculture.

Mr. HAMILTON. How long did it last? Was that a whole day thing?

Mr. NELSON. No; I do not believe so. To my recollection, it was a 2 or a 3 hour thing.

Mr. HAMILTON. Was food served, drinks?

Mr. NELSON. I do not recall. I do not remember that.

Mr. HAMILTON. What kind of hall was it in, do you remember that, or was it out in the——

Mr. NELSON. I do not know.

Mr. HAMILTON. I would take it, October in Iowa, it would have been pretty chilly.

Mr. NELSON. Unless it was a football field, it would have had to have been in some fieldhouse or something like that, a coliseum or something of this sort. I do not know that much about it. I probably knew at the time.

Mr. HAMILTON. Well, do you know about any other rallies that were paid for by AMPI that Mills attended?

Was there one in Arkansas?

Mr. NELSON. There would be—I am sure there were a lot of rallies, you know, in Arkansas. I cannot give you any specifics about Arkansas rallies.

Mr. HAMILTON. Would AMPI hold or sponsor rallies on a frequent basis?

Mr. NELSON. I would not say on a frequent basis, no.

Mr. HAMILTON. How often?

Mr. NELSON. I really cannot tell you. You would have to ask the people from Arkansas, if they were going to have a rally——

Mr. HAMILTON. No; I mean generally.

Mr. NELSON. Generally? No.

Mr. HAMILTON. Rallies anywhere in the country?

Mr. NELSON. [Nods negatively.]

Mr. HAMILTON. Would a rally in Arkansas be sponsored by the national office of AMPI, or by local offices?

Mr. NELSON. It would be a local thing?

Mr. HAMILTON. Funded nationally, or funded locally?

Mr. NELSON. Anything out of AMPI—it appears to be a question of easy answer, but it is not necessarily, because actually AMPI is a monolith, so to speak. It is not broken down other than for pooling purposes on milk, and so forth.

So I would say that if it was the national offices it would ultimately come from, even though they might have been paid locally. Now, an accountant might put a different construction on it, that would be my view.

Mr. HAMILTON. Well, do you remember any specific rallies in Arkansas, which Mills attended?

Mr. NELSON. No, I do not remember specific rallies. You can get all that from their records, but I just cannot give it to you.

Mr. HAMILTON. How about any specific rallies in other States besides Arkansas and Iowa?

Mr. NELSON. Well, we had a banquet, I recall, for Page Belcher in Dallas.

Mr. HAMILTON. Page Belcher being whom?

Mr. NELSON. He was the ranking minority member of the House Agricultural Committee.

Mr. HAMILTON. And Mills attended that?

Mr. NELSON. Yes, he attended. Now, wait a minute. Do not put it down. I think he attended it.

Mr. HAMILTON. But the way you describe it, this in no way was a rally to support Mills' Presidency?

Mr. NELSON. No.

Another one I recall, there was a banquet, and I believe it was Lawton, Okla., for Sam Steed, and AMPI was largely instrumental, and there were others involved to honor Congressman Steed. And Mr. Mills went to that.

Mr. HAMILTON. Is it correct to say that Parr was the man who usually sponsored things of this type, sponsored, dreamed them up and planned them?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. And he would be our best source on various things done for Mills, and various things that Mills participated in?

Mr. NELSON. Yes, sir; Mills or anybody else.

Mr. HAMILTON. Do you have any more questions?

Mr. SANDERS. About Mills yes, but——

Mr. HAMILTON. I mean about farm rallies?

Mr. SANDERS. [Nods negatively.]

Mr. HAMILTON. Well, to change the subject, still on Mills, but to change the subject from rallies, do you know of any employee contributions of AMPI employees that were solicited for Mills?

Mr. NELSON. I know that Mr. Parr, and he is the best source of information on this, too; but I know that he did report to me that employees were wanting to do this sort of thing. And I told him that any employee who wanted to do it could do it, but that it should be made explicitly clear to the employees that it was something they could do of their own volition; and not because of any predilections we might have had concerning that. I made it abundantly clear to him.

Mr. HAMILTON. Did he, in fact, solicit employee contributions?

Mr. NELSON. Yes, but I cannot give you the specifics of it.

Mr. HAMILTON. Do you know how much he solicited?

Mr. NELSON. No, this was brought to my attention, as I recall, in early January about 1 or 2 weeks before I was no longer general manager.

Mr. HAMILTON. Well, by that time, had the solicitations already, taken place, or were they taking place?

Mr. NELSON. I think taking place is the best word.

Mr. HAMILTON. Was there any type of organized employee campaign? In other words, was there any employee-wide canvas, any material, leaflets sent out?

Mr. NELSON. No, I do not believe so. I think it was more a phone call, or a personal approach sort of thing. I do not believe there were any—

Mr. HAMILTON. Was this solicitation of AMPI employees on a national basis? Is that what he was talking about?

Mr. NELSON. As I recall, and I could be a little confused on this, as I recall what he was doing was calling key employees of AMPI.

Mr. HAMILTON. So, he was talking to a person, calling them personally?

Mr. NELSON. That is my recollection.

Mr. HAMILTON. What is your understanding as to the number of employees he talked to?

Mr. NELSON. As I say, it was my understanding that he was talking to the key employees. It might have been one dozen, two dozen, or it might have been more.

Mr. HAMILTON. Did any of these employees ever complain to you?

Mr. NELSON. No, they did not. I do not recall any employee ever complaining.

Mr. HAMILTON. Had AMPI conducted this kind of employee solicitation previously for other candidates?

Mr. NELSON. Not to my knowledge; I do not recall any.

Mr. HAMILTON. Now some AMPI employees had contributed to other candidates.

Mr. NELSON. I am sure they had.

Mr. HAMILTON. In the 1968 or 1970 campaign, was there any organized employee solicitation of contributions?

Mr. NELSON. Not that I recall.

Mr. HAMILTON. So this was a new practice among AMPI members. What I am getting at is—I take it there was no pattern in AMPI that would lead employees to believe that when the management solicited contributions they had better give or else?

Mr. NELSON. No, sir; there surely was not. Now, I say on my part; you have to understand that Mr. Parr is a pretty forceful character, and I do not know what he might have said to these people.

Mr. HAMILTON. You have said he is the best source of information.

Mr. SANDERS. Do you have any concept of how much he might have collected in this campaign?

Mr. NELSON. No.

Mr. SANDERS. Would you suspect that he would have contacted all regional managers?

Mr. NELSON. Yes, most all; if not all.

Mr. SANDERS. And key home office personnel?

Mr. NELSON. Yes.

Mr. SANDERS. Down to what level, do you think?

Mr. NELSON. It is hard to define the level. I would say down to division manager level. Now, I do not know that he contacted all of these. That is just speculation on my part about how far down he went.

Mr. SANDERS. Do you have knowledge of any corporate funds of AMPI being furnished in the form of cash to Mills or to any persons for Mills?

Mr. NELSON. No, sir.

Mr. SANDERS. Do you have any recollection of telling Bob Lilly in August of 1971, to give \$5,000 to Parr for Mills?

Mr. NELSON. No; I do not remember that. I want to say this, if Lilly said that I did it, I am perfectly willing to accept the fact that I did, if Lilly said that I did. But I do not remember that.

Mr. SANDERS. Well, I want to read you from notes which were furnished to us by Lilly, which are to the effect of what I have already asked you:

On August 17, 1971, Harold Nelson, in the presence of Robert Isham, told me to get \$5,000 to Mr. Dave Parr, AMPI employee in Little Rock, Arkansas, for Wilbur Mills.

I was instructed to deliver it to Parr personally. On August 17, 1971, I went to Austin in the company jet, borrowed \$10,000, and delivered the \$5,000 to Little Rock, Arkansas, to Dave Parr's secretary, Norma Kirk or Eunice Hunt.

Does that help to refresh your memory?

Mr. NELSON. No, I do not remember, but if Lilly said that I did, I accept the fact that I did.

Mr. HAMILTON. Do you say that because you think Lilly is generally a man of his word?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. Maybe I picked up something in the tone of your voice, that maybe is not there; but were you implying that Parr is not a man of his word?

Mr. NELSON. Well, I would just put it this way. I would have much more confidence in Mr. Lilly's recitation of the facts, and as he recalls them, than I would of—

Mr. HAMILTON. I do not mean to put you on the spot, but we obviously have credibility to deal with, and we have to make decisions about them.

Mr. NELSON. I would rely on Mr. Lilly's memory of the fact.

Mr. HAMILTON. You say you would rely on his veracity. Would you rely on his memory as well?

Mr. NELSON. I would say generally. He is subject to human frailties as all of us are, but I would say generally yes.

Mr. HAMILTON. That is all I have on that.

Mr. SANDERS. We have some information on another instance of \$5,000 being delivered to Parr for Mills by Jacobsen in the presence of Lilly. Do you have any knowledge of that transaction?

Mr. NELSON. Of \$5,000 being delivered to Parr by Jacobsen?

Mr. SANDERS. Yes.

Mr. NELSON. No; I do not recall.

Mr. SANDERS. Or any sum of money by Jacobsen for Mills?

Mr. NELSON. No; I do not recall that.

Mr. SANDERS. Well, during the entire time of 1969 through 1972, at any time were you aware of corporate funds being made available in the form of currency for Mills?

Mr. NELSON. No; I do not recall any corporate funds being made available for Mills, but as I say, I would rely upon Lilly's recollection of it.

Mr. SANDERS. I think that is all I have on Mills.

Mr. HAMILTON. Did the prosecutors ask you about any Mills' transactions?

Mr. NELSON. I do not believe they did; if they did, it was so cursory, that I do not recall it. I do not believe that they asked me.

Mr. HAMILTON. Can you think of any information regarding Mr. Mills of the character that we are looking for? I am sure you know what we are looking for.

Mr. NELSON. I would say the one to talk to about it is Parr.

Mr. HAMILTON. But you have no personal, even hearsay, knowledge of information relating to Mills of this character?

Mr. NELSON. No; nothing other than what you have talked to me about. If I talked to Lilly, he could tell me more of the circumstances and so forth, and I probably would recall a lot more. But Lilly is the man who would give you the accurate information.

Mr. SANDERS. Did the Special Prosecutor ask you questions concerning Valentine, Sherman Associates?

Mr. NELSON. Yes, sir.

Mr. HAMILTON. We talked about that yesterday.

I think we can go off the record.

Mr. SANDERS. Let us go off the record.

[Discussion off the record.]

Mr. DORSEN. Mr. Nelson, directing your attention to other contributions to Democratic Presidential candidates, whether from AMPI funds or TAPE funds, are you aware of any such contributions that you have not testified to either yesterday or today?

Mr. NELSON. Yes. Contributions were made to—let me ask you this. What period of time are you talking about?

Mr. DORSEN. I am talking about late 1968, 1969, 1970, 1971, and 1972, all of those periods for Democratic Presidential candidates.

Mr. NELSON. George Wallace.

Mr. DORSEN. Let us take Mr. Wallace then. What is your knowledge and understanding of contributions made by AMPI or TAPE to Mr. Wallace's Presidential campaign?

Mr. NELSON. I believe there were TAPE funds, I am not certain of that, but there were contributions made to Mr. Wallace's campaign.

Mr. DORSEN. And how did these contributions come about?

Mr. NELSON. The contributions came about because we had members, particularly in Tennessee, and as I recall, also some in east Texas as well as Arkansas who were strong advocates of Mr. Wallace.

Mr. DORSEN. Were AMPI or TAPE funds solicited by Mr. Wallace's campaign, or did the initiative come from AMPI or TAPE?

Mr. NELSON. I cannot tell you that.

Mr. DORSEN. Do you know who, at Mr. Wallace's headquarters, or at Mr. Wallace's campaign, was the contact point for contributions?

Mr. NELSON. No; I was not personally contacted on this, so I would not know.

Mr. DORSEN. Who would have the knowledge?

Mr. NELSON. Mr. Parr.

Mr. DORSEN. Did you have any discussions with Mr. Parr or Mr. Lilly concerning these contributions?

Mr. NELSON. I knew that there were some made; that is about as much as I remember about that. I believe they were with Mr. Parr. I do not believe they were with Mr. Lilly.

Mr. DORSEN. Do you have any recollection of the time or amounts of these contributions?

Mr. NELSON. No.

Mr. DORSEN. Did you authorize these contributions to be made?

Mr. NELSON. As I recall, these contributions were made at the instance of some division board member from Tennessee and Mississippi, and I cannot recall his name.

Mr. DORSEN. Is it your understanding, however, that these were TAPE funds that were withdrawn, that were paid from the TAPE accounts, and were reported in the ordinary course of TAPE's reports?

Mr. NELSON. I am not certain that they were. I think that they were, but I am not certain that they were TAPE funds.

Mr. DORSEN. What other sources could the money have come from?

Mr. NELSON. They could have come from corporate funds, or from individual checks written by dairy farmer members who wanted to support him.

Mr. DORSEN. Do you have any knowledge of any source that would provide us with leads as to how we could trace any funds other than TAPE funds that might have been contributed?

Mr. NELSON. Mr. Lilly could give you those.

Mr. DORSEN. Are you testifying that you have no personal knowledge?

Mr. NELSON. I have no personal knowledge about how it was done.

Mr. DORSEN. Do you have any information that you have not given us concerning contributions that might have been made to Mr. Wallace's campaign?

Mr. NELSON. No; I am telling you all I know about it.

Mr. SANDERS. Let me ask one question, if you are going to leave Wallace.

Mr. DORSEN. Certainly.

Mr. SANDERS. I do not want to flog this thing, but are you saying that there is a possibility that some corporate funds were made available to Wallace?

Mr. NELSON. That is a possibility. It is not my impression, or present recollection, but it is possible. Yes.

Mr. SANDERS. You are aware, of course, of the system by which a number of attorneys and consultants were making funds available to Lilly to pay off the loans he had used to make the payment to Kalmbach.

Are you aware of any similar system of using attorneys or consultants as conduits to provide funds for the Wallace campaign?

Mr. NELSON. No, as I say, I am not, but I say that it is entirely possible that it did happen.

Mr. SANDERS. OK.

Mr. DORSEN. Is there any other Democratic candidate to whom AMPI or TAPE made contributions in connection with the 1972 Presidential campaign about which you have not testified?

Mr. NELSON. I am not certain about this, but I believe Senator Muskie.

Mr. DORSEN. What is your recollection of contributions that might have been made to Senator Muskie's campaign?

Mr. NELSON. Just that we were supporting Muskie. I do not recall the details.

Mr. DORSEN. Were you personally in touch with anyone from Mr. Muskie's campaign?

Mr. NELSON. Senator Muskie appeared at our annual meeting and spoke in 1970. I do not recall—he appeared and spoke. He opened his previous campaign in front of the Alamo in San Antonio. I cannot—I do not recall the names of his people.

Mr. DORSEN. And did you at that meeting or at any other time personally have a conversation with Mr. Muskie concerning campaign contributions or support?

Mr. NELSON. No, sir.

Mr. DORSEN. Do you know whether any other official of AMPI or TAPE at that meeting, or at any other time, personally had a conversation with Mr. Muskie concerning campaign contributions or support?

Mr. NELSON. I do not believe so.

Mr. DORSEN. Do you know who in Mr. Muskie's campaign was in contact with AMPI or TAPE?

Mr. NELSON. No, I do not. I do not remember their names.

Mr. DORSEN. Do you know who at AMPI or TAPE was the person who was in contact or was contacted by Mr. Muskie's campaign?

Mr. NELSON. I think that would be Mr. Parr; possibly Mr. Lilly, but probably Mr. Parr.

Mr. DORSEN. Do you have any personal knowledge, and I include hearsay statements that may have been made to you, of a contribution that may have been made to Mr. Muskie's campaign, other than the possibility that such a contribution was made?

Mr. NELSON. No, I can tell you nothing specific. I am under the impression that a contribution was made.

Mr. DORSEN. And do you have any reason to believe that any contribution that may have been made to Mr. Muskie's campaign came from AMPI corporate funds rather than TAPE funds that were duly reported?

Mr. NELSON. No, but it is possible.

Mr. DORSEN. And to repeat Mr. Sanders' question, were you aware, or do you have any information concerning any conduit system or other device that may have been used to funnel funds to Mr. Muskie's Presidential campaign?

Mr. NELSON. No, other than the system that is described by Mr. Sanders.

Mr. SANDERS. Did you ever learn that Stuart Russell had been used as a conduit for providing funds to Muskie?

Mr. NELSON. Not explicitly for Muskie, no.

Mr. DORSEN. Do you know whether Stuart Russell personally made a contribution to Mr. Muskie's campaign?

Mr. NELSON. No, I do not.

Mr. DORSEN. Do you know whether he was ever asked by any official of AMPI or TAPE to make a contribution to Mr. Muskie's campaign?

Mr. NELSON. I do not recall knowing that.

Mr. SANDERS. You were asked if you had any personal contact with Senator Muskie. Did you have any personal contact with any key persons in his Presidential campaign?

Mr. NELSON. As I say, if I did, I do not recall it. I do not even recall the names of the key people in his campaign. If I were given a name, I might recall it. I really do not think that they did.

Mr. DORSEN. Are there any other campaigns to which AMPI or TAPE may have made a contribution in connection with the 1972 Presidential race about which you have not testified?

Mr. NELSON. Do you want to go off the record just a minute?

Mr. DORSEN. OK.

[Discussion off the record.]

Mr. DORSEN. Mr. Nelson, are you aware of any other contributions of AMPI or TAPE in connection with the 1972 Presidential campaign?

Mr. NELSON. I do not recall any.

Mr. DORSEN. To the best of your knowledge or information, are you aware of any contributions other than the ones to which you have testified to, to a 1972 Presidential candidate that came from funds other than TAPE funds that were duly reported on TAPE's reports?

Mr. NELSON. No.

Mr. DORSEN. I have no further questions along this line.

Mr. NELSON. Let me explain; you see, most of this 1972 campaign money would have been put in after I was no longer general manager, and I have no knowledge of any of that.

Mr. SANDERS. Yesterday, you told us that AMPI was interested in opening doors with the Republican administration, and in countering the image you had acquired as being a Democratic organization, and having supported a Democratic candidate or candidates in the 1968 election.

I presume, or I believe you did say that AMPI had supported Senator Humphrey's Presidential race in 1968.

Mr. NELSON. Yes, sir.

Mr. SANDERS. Did you say that? I believe you said that.

Mr. NELSON. Yes, sir. I said that.

Mr. SANDERS. Financially supported him?

Mr. NELSON. Yes, sir.

Mr. SANDERS. And this would have been at a time when TAPE was not in existence?

Mr. NELSON. That is right.

Mr. SANDERS. At a time in which you had no means by which your organization could make legal contributions to a Presidential candidate?

Mr. NELSON. [Nods affirmatively.] Prior to the existence of TAPE.

Mr. SANDERS. Sir?

Mr. NELSON. That was prior to the existence of TAPE.

Mr. SANDERS. And at a time when you had no other means of making legal contributions to a Presidential candidate?

Mr. NELSON. [Nods affirmatively.]

Mr. SANDERS. May the record show that Mr. Nelson is nodding assent to the question.

Mr. NELSON. I thought I testified to that yesterday.

Mr. GALLMAN. You did.

Mr. SANDERS. But probably not in as much detail to this.

Mr. HAMILTON. I am sure this is a repetitive question, not from me but from somebody. When was TAPE established?

Mr. NELSON. I cannot give you the exact date, but in 1969.

Mr. SANDERS. It was in September 1969, I believe.

Mr. DORSEN. Off the record.

[Discussion off the record.]

Mr. WEITZ. Mr. Nelson, I would like to return to the period of March 1971, in connection with the milk price-support decision.

Now, I believe you said yesterday that Mr. Jacobsen was in contact with Mr. Connally for AMPI during this period; is that correct?

Mr. NELSON. Yes.

Mr. WEITZ. Do you know of anyone else who talked to Mr. Connally during that period relative to price supports or anyone else at AMPI?

Mr. NELSON. Are you talking about March 1971?

Mr. WEITZ. February and March 1971, yes.

Mr. NELSON. Well, now I do not know. Are you referring to—the only one I know is Mr. Lilly, very briefly, outside the Washington airport if that is what you are referring to?

Mr. WEITZ. Did you know when that occurred?

Mr. NELSON. Well, yes and no. There seems to be confusion about when it occurred. I now think that it occurred on March 5, and the reason that I think it occurred on March 5 is that I checked with the pilot on the log and he says that on March 5 we left Page Airways and flew to Little Rock and on to San Antonio and I think it was March 5.

Mr. WEITZ. The contact between Mr. Lilly and Mr. Connally took place at Page Airways at National Airport?

Mr. NELSON. Yes; we were in a taxicab going to take our own plane at Page Airways and Secretary Connally's limousine passed us and he and his wife were in it, and they pulled up just ahead of us. By the time that they got there, they were already out of their limousine, as I recall, and Bob Lilly went over and talked to Mr. Connally very briefly, and then came back while the rest of us stood on the sidewalk to wait.

Mr. WEITZ. Let me ask a few questions about that.

Who from AMPI was with you at the time?

Mr. NELSON. I know Mr. Parr was because he started to walk over and I told him, "No, let Mr. Lilly go"; and Mr. Townsend was there, and I believe—I am not sure, but I believe Mr. Elrod was there. I have been told that he was there; I really did not recall, until I started talking about this thing, who was there.

Mr. WEITZ. Who did you talk to about this meeting, other than your attorneys?

Mr. NELSON. Oh, I have talked to Mr. Lilly about this meeting. I have talked to—well, other than my attorneys, I guess that is it.

Mr. GALLMAN. Well, obviously—

Mr. NELSON. I have talked to the Prosecutor.

Mr. WEITZ. Was it in the last several months that you have talked to Mr. Lilly about the meeting?

Mr. NELSON. Yes.

Mr. WEITZ. Was it he who refreshed your memory about Mr. Elrod's presence?

Mr. NELSON. Yes.

Mr. WEITZ. Have you talked to Mr. Townsend about the meeting?

Mr. NELSON. No; I have not talked to Mr. Townsend about the meeting.

Mr. WEITZ. Have you talked to Mr. Parr about the meeting in the last several months?

Mr. NELSON. No.

Mr. WEITZ. Who was the driver from AMPI that took you to the airport?

Mr. NELSON. I cannot tell you for sure, who it was. I have been told it was Willy Pleasant, he did drive for us a lot, but I do not recall. I do not have an independent recollection.

Mr. WEITZ. He's a taxi driver in Washington?

Mr. NELSON. He's a taxi driver in Washington. He was used by us a great deal.

Mr. WEITZ. Where did you leave from to go to the airport? Did you leave from Mr. Harrison's office?

Mr. NELSON. That could be.

Mr. WEITZ. When you got in the car to leave for the airport, did you know you would be seeing Mr. Connally, or were you attempting to catch Mr. Connally at the airport?

Mr. NELSON. No.

Mr. WEITZ. It was purely by chance?

Mr. NELSON. Purely by chance, he passed us in his limousine as we got to the bridge, it seems to me.

Mr. WEITZ. When he passed in the limousine, what discussion took place? Who first mentioned that it was Secretary Connally, and so forth?

Mr. NELSON. I cannot remember.

Mr. WEITZ. Was there any discussion about it?

Mr. NELSON. Sure. It was said, "There is Secretary Connally."

Mr. WEITZ. Was there any further discussion after it was noticed that he was passing alongside the car?

Mr. NELSON. I don't know, somebody might have said "I wonder if he's going to Texas"—that's just conjecture on my part.

Mr. WEITZ. Was Mr. Jacobsen with you at that time?

Mr. NELSON. No, I don't believe so.

Mr. WEITZ. If Mr. Jacobsen was in contact or AMPI with Mr. Connally in February and March, was there some discussion even though Mr. Jacobsen was not present, of perhaps someone speaking to him in some way, of what his importance in the price-support decision might be?

Mr. NELSON. No—are you talking about Jacobsen now?

Mr. WEITZ. No, I understand Jacobsen was not with you, but he was contacting Secretary Connally on your behalf about the price-support decision and Mr. Connally, you hoped therefore, might play a role in assisting you to obtain an increase, is that correct?

Mr. NELSON. That's right.

Mr. WEITZ. Secretary Connally passed you in the car on the way to the airport, and you noticed that it was he. My question is, did anyone then go on to discuss talking with him about the price-support decision?

Mr. NELSON. Talking with Connally?

Mr. WEITZ. Yes.

Mr. NELSON. Not until we got there and saw that he was on the sidewalk as I recall. The minute we saw him on the sidewalk, Bob Lilly went over, Mr. Parr started to go over, and I said, "No, let Bob go."

Mr. WEITZ. Did you suggest to Lilly that he go over and speak to Secretary Connally?

Mr. NELSON. I may have. I do not think I really had to.

Mr. WEITZ. What do you mean by that?

Mr. NELSON. I think he did it just naturally.

Mr. WEITZ. Did you know that he was going over? Did he say, "I'm going over to speak to Secretary Connally"?

Mr. NELSON. I don't know whether he said, "I'm going to speak to Secretary Connally," but—or whether I told him to go speak to Secretary Connally, but we both knew that he was going to go speak to Secretary Connally.

Mr. WEITZ. Did he know Secretary Connally?

Mr. NELSON. Yes, he knew Secretary Connally.

Mr. WEITZ. How long had he known the Secretary?

Mr. NELSON. I could not tell you that, but he knew Secretary Connally when he was Governor. The reason I say that is this. Mr. Lilly, as I recall at the time Secretary Connally was Governor, Mr. Lilly was manager of either the State farm bureau, worked for the State farm bureau or the Texas farm bureau, or for the valley farm bureau and spent what you might call an inordinate amount of time in Austin, Tex., dealing with legislative and regulatory matters on behalf of that organization. And he would have bills signed and he knew the Governor.

Mr. WEITZ. Would you say that he had fairly frequent contact with him during those years?

Mr. NELSON. He can tell you how often, but I would say more contact than the usual citizen would have.

Mr. WEITZ. He certainly knew him much better than you did?

Mr. NELSON. Yes.

Mr. WEITZ. You mentioned, I believe, that you had had up until that time in 1971, three previous meetings with Mr. Connally.

Mr. NELSON. Right.

Mr. WEITZ. And you would say that he knew him much better than you did? How many more contacts did we have with him?

Mr. NELSON. Yes, I would.

Mr. WEITZ. Now about Mr. Parr? Did he know Secretary Connally?

Mr. NELSON. I don't think he knew him at all.

Mr. WEITZ. To your knowledge he had never met with him?

Mr. NELSON. To my knowledge, he never had.

Mr. WEITZ. When Mr. Parr indicated he wanted to go over and talk to Secretary Connally also, what did you say?

Mr. NELSON. I said something like, "No, no, Bob knows him."

Mr. WEITZ. And Mr. Parr did not go over and speak to Secretary Connally?

Mr. NELSON. He did not.

Mr. WEITZ. Why were you interested in not having Mr. Parr go over and at least meet the Secretary?

Mr. NELSON. I knew that Bob Lilly knew him. I was hoping he might disclose something to Mr. Lilly about his efforts on our behalf that he otherwise, not knowing Mr. Parr, might not want to talk about.

Mr. WEITZ. How long did the discussion last between Mr. Lilly and Mr. Connally?

Mr. NELSON. Very short. I would say 2 or 3 minutes.

Mr. WEITZ. And then what happened?

Mr. NELSON. That's just an estimate.

Mr. WEITZ. Mr. Connally left, and Mr. Lilly came back to your group?

Mr. NELSON. We all left.

Mr. WEITZ. But you left separately, so actually you had no contact with Mr. Connally?

Mr. NELSON. No.

Mr. WEITZ. What did Mr. Lilly tell you upon his return?

Mr. NELSON. I do not recall specifically except that he was optimistic.

Mr. WEITZ. Did you discuss the matter further with Mr. Lilly—for example, on the plane ride home?

Mr. NELSON. I do not recall discussing it.

Mr. WEITZ. Do you recall what Mr. Lilly said? When you say he was optimistic, were you referring to Mr. Connally?

Mr. NELSON. That Mr. Lilly was optimistic after talking to Mr. Connally. I do not recall how he put it, but my impression was that Lilly felt that Secretary Connally was optimistic about the possibilities of our getting favorable action.

Mr. WEITZ. I see. Now at that time, you say you talked to the pilot. Is it your recollection, or are you relying solely on the pilot's estimate, that—

Mr. NELSON. There is no way that I can remember whether it was the 5th or the 6th or the 18th or the 20th. I do not think anybody else can, to tell you the truth; I think it has got to rely on some record.

Mr. WEITZ. Well, let me ask you this. Do you recall in the context, not of a specific date, but rather in terms of events, whether, for example, it was before or after the first decision by the Secretary of Agriculture not to raise price supports?

Mr. NELSON. I cannot tell you that either.

Mr. WEITZ. What did you understand by Mr. Lilly's comment that,

after talking to Mr. Connally, he was optimistic—"he" meaning Mr. Lilly—optimistic about what?

Mr. NELSON. About favorable action on the price support. That is what we were—

Mr. WEITZ. By whom?

Mr. NELSON. By the President. That is the only person who can take a favorable action on the price support in my view. I have said that repeatedly.

Mr. WEITZ. So you understood, therefore, that he was referring to administrative action by the President and the Secretary of Agriculture?

Mr. NELSON. Yes, that is what it meant to me.

Mr. WEITZ. Did he indicate whether Mr. Connally had talked to anyone in the administration, including the President?

Mr. NELSON. No.

Mr. WEITZ. Did he indicate what Mr. Connally or he based his optimism on?

Mr. NELSON. No; he did not go into details as I recall, he just said that he is optimistic.

Mr. WEITZ. Did you relate that to anyone? That viewpoint?

Mr. NELSON. Probably, to whoever was—you see, I do not recall.

Mr. WEITZ. Well, were the others—did Mr. Parr overhear the comment from Mr. Lilly?

Mr. NELSON. I do not know.

Mr. WEITZ. Was he present, standing next to you?

Mr. NELSON. He was present. And knowing Mr. Parr as I know him, I feel certain that Mr. Parr would have extracted from Mr. Lilly or me whatever it was that had just been said between us, reluctant though we may have been to tell him.

Mr. WEITZ. So, in fact, he was anxious to talk to the Secretary; he certainly would like to know what the Secretary said?

Mr. NELSON. But I cannot tell you whether I did or did not tell him.

Mr. WEITZ. What about Mr. Townsend? You said he was there; what about Mr. Elrod?

Mr. NELSON. I do not recall either of them being there.

Mr. WEITZ. Did you ever relate the fact that this meeting took place, or anything about it, to Mr. Jacobsen? After all, he was in contact with Mr. Connally.

Mr. NELSON. I have no independent recollection having said it to him, but I am sure the next time I talked to Mr. Jacobsen—I said we ran into Secretary Connally on the sidewalk at Page. That is the logical thing. I do not really remember doing that, but I feel certain that I did.

Mr. WEITZ. Did you relate it to Mr. Harrison?

Mr. NELSON. I may have. We were working on the same thing. I probably did, I do not remember that.

Mr. WEITZ. After the meeting you boarded the aircraft, your aircraft—

Mr. NELSON. Yes.

Mr. WEITZ. Where did you fly to?

Mr. NELSON. To Little Rock, to let those who were living in Little Rock off.

Mr. WEITZ. That would be Mr. Parr and Mr. Townsend?

Mr. NELSON. And Mr. Elrod, I believe, at that time. I could be wrong about that, but I believe that Mr. Elrod was also living in Little Rock at that time, and then on to San Antonio.

Mr. WEITZ. For you and Mr. Lilly?

Mr. NELSON. Yes.

Mr. WEITZ. No other stops?

Mr. NELSON. No.

Mr. WEITZ. That day?

Mr. NELSON. No.

Mr. WEITZ. Where did Mr. Connally fly to?

Mr. NELSON. I do not know.

Mr. WEITZ. Was there any discussion about either his aircraft, or where he was flying to?

Mr. NELSON. I think there was some conjecture on the way to the airport; after he passed us, I wondered if he was going to Houston or the ranch or wherever.

Mr. WEITZ. How about after the meeting, and on the way out to the aircraft? Was there any discussion between any of you, the AMPI people, with respect to what plane he was flying out on, or where he was going?

Mr. NELSON. I do not recall it. There could have been, but I do not recall it.

Mr. WEITZ. He flew out of Page Airways on some private plane. Do you know that?

Mr. NELSON. I do not know whether it was a Government plane or a private plane.

Mr. WEITZ. Did you have any other contacts directly with Mr. Connally during, let's say, March of 1971?

Mr. NELSON. No, sir.

Mr. WEITZ. Did Mr. Lilly have any other contacts with Mr. Connally, to your knowledge?

Mr. NELSON. Not to my knowledge.

Mr. WEITZ. The only other contacts with Mr. Connally by the dairy people, other than Mr. Jacobsen, was this one instance of Mr. Lilly?

Mr. NELSON. To the best of my knowledge, yes, sir; but even, to be very candid with you, I've been reading these accounts, but they do not jive with my knowledge. I am talking about published accounts.

Mr. WEITZ. After the meeting with Mr. Connally, do you recall any change in strategy, or any effect that that meeting had upon your thinking in terms of what was the best route to attain the price support increase?

Mr. NELSON. As far as I was concerned, we were full steam ahead with what we were doing at the time.

Mr. WEITZ. With both legislative and administrative?

Mr. NELSON. I think the record, or a checkout, will reflect that we kept right on pressing Congressmen—

Mr. SANDERS. Before you leave the Page Airways incident, could I ask a question?

Mr. WEITZ. Certainly.

Mr. SANDERS. I believe the flight logs show an entry for the AMPI aircraft traveling from Washington, D.C., leaving Washington Na-

tional Airport on March 20, 1971, which gave us a little trouble because of Lilly's recollection that it occurred on the 19th. But I am wondering—you have told us you checked with the pilot who has checked the logs, and your best judgment was that it would be the 5th. I am wondering, were you aware that there was an entry for the 20th?

Mr. NELSON. The pilot tells me that there is not an entry for the 20th from Washington to Little Rock to San Antonio.

Mr. SANDERS. He told you there was not?

Mr. NELSON. It does not show Washington-Little Rock-San Antonio.

Mr. SANDERS. The one on the 20th did not include a stop at Little Rock?

Mr. NELSON. That is right. But this is not the 5th. The 5th shows Washington-Little Rock-San Antonio, and the one on the 19th or 20th shows Washington-San Antonio, not the Little Rock stop, and if you know this pilot—anybody can make a mistake, but this guy—he just ordinarily does not make mistakes, is what I'm saying.

Mr. SANDERS. Did you establish, then, that later in the month, any time later in the month, there was not a flight from Washington to San Antonio via Little Rock?

Mr. NELSON. No; because later in the month the action would have already been taken, and we would not have been meeting Secretary Connally.

Mr. SANDERS. I mean up until the 25th.

Mr. NELSON. I believe—I do not absolutely recall, but I believe I did, and I think he told me that there was not. I think that is what the logs will show.

Mr. GALLMAN. Well, Harold, you checked this another way too.

Mr. NELSON. Yes; let's see. What other way are you talking about?

Mr. GALLMAN. Where Connally's aircraft went.

Mr. NELSON. Oh, yes. And Connally's aircraft—he was not in Washington on that 19th or 20th date, so he could not have been out there to the airport.

Mr. WEITZ. Where was he?

Mr. NELSON. I am not sure, but I think they said he was in New York.

Mr. WEITZ. On the 19th and 20th?

Mr. NELSON. Yes; he was not out there.

Mr. WEITZ. On the 19th?

Mr. NELSON. Yes.

Mr. WEITZ. Of March 1971?

Mr. NELSON. Yes.

Mr. GALLMAN. But he was there on the 5th.

Mr. WEITZ. Did you talk to Mr. Connally about it?

Mr. NELSON. No; I did not.

Mr. WEITZ. Did you talk with his attorney about it?

Mr. NELSON. No; I did not.

Mr. WEITZ. How did you obtain this information?

Mr. NELSON. I talked to Joe Long or someone. I cannot recall who it was.

Mr. WEITZ. Do you know whether Mr. Long has been in contact with either Mr. Connally or some representative of Mr. Connally?

Mr. NELSON. I assume that he has.

Mr. WEITZ. How about Mr. Jacobsen?

Mr. NELSON. I am sure he has.

Mr. WEITZ. Do you remember discussions during March of 1971 concerning contributions to the Republican Party and to the President's reelection effort by TAPE and the other dairy trusts?

Mr. NELSON. Yes.

Mr. WEITZ. Now, the record shows that on March 22 TAPE made a contribution of \$10,000 to four Republican committees.

Do you recall the contribution of that nature and any circumstances surrounding it?

Mr. NELSON. I have been told about it, but I do not recall the incident.

Mr. WEITZ. I believe you testified that TAPE contributions would not be made without your authorization or without it being consistent with your prior discussions or authorizations.

Mr. NELSON. I said any TAPE contribution would have to go through Isham.

Mr. WEITZ. As a legal matter?

Mr. NELSON. He would have to sign the checks. That's the only way they were issued. And I just did not believe that Mr. Isham would issue any TAPE checks except some that I told him to issue or Mr. Lilly had told him to issue.

Mr. WEITZ. Do you recall discussing with him the issuance of those checks or the making of that contribution?

Mr. NELSON. No; you see, there are too many—

Mr. WEITZ. Do you know if Mr. Lilly did?

Mr. NELSON. I assume he did. I don't think Mr. Isham would have done it if it was not discussed with him by one or the other of us.

Mr. WEITZ. Were you and Mr. Lilly in Washington on the week of the 22d, the 23d?

Mr. NELSON. I do not know whether Mr. Lilly was here. I assume he was. But I was.

Mr. WEITZ. And do you remember discussing with Mr. Lilly the question of contributions?

Mr. NELSON. No; I do not remember that specific time.

Mr. WEITZ. What was the nature of your conversations, let's say during the last half of March 1971? What conversations or substance of conversations did you have with your own people, and also with those of other dairy trusts, with respect to contributions to the President's reelection?

Mr. NELSON. That we had to get the committees and we had to get ready to make the contributions.

Mr. WEITZ. At that time, of course, you were seeking a reversal of the March 12 decision of the Secretary of Agriculture?

Mr. NELSON. Yes

Mr. WEITZ. Did you feel that it was important to make those contributions—some contributions in March in order to help your posture with respect to obtaining an increase from the administration?

Mr. NELSON. I have thought that it is always important to make the contributions that you have indicated that you want to make so that they know that you do what you profess that you will do.

Mr. WEITZ. That you are serious about it?

Mr. NELSON. That is right. To give you more credibility. Absolutely.

One thing that bugged me about those contributions from the first time we ever started talking about we would make them, is that we could not get the committees.

Mr. WEITZ. Now, in a previous interview that we conducted, you and I, several months ago, I believe you indicated to me that you thought that the President was aware of the contributions that the dairy people had made and were intending to make.

Could you tell us on what you base that opinion?

Mr. NELSON. I base it on the fact that we had talked to Charles Colson, who was at least reputed to be a man of easy access to the President.

Mr. WEITZ. And he knew about your intentions—your actual contributions and your intentions to make additional substantial contributions?

Mr. NELSON. Maybe you were not in here. I testified to this yesterday. Yes, he did.

Mr. WEITZ. Did he ever tell you that he talked to the President about it?

Mr. NELSON. No.

Mr. WEITZ. Did he indicate that he talked to anyone else about it, anyone else in the White House?

Mr. NELSON. Not explicitly; no.

Mr. WEITZ. But it was your understanding?

Mr. NELSON. We assumed that, and that was the general tenor.

Mr. WEITZ. Are these the conversations you had with him, for example, in 1970?

Mr. NELSON. The conversations we had with him—you see, I cannot tell you the date. But whenever we had conversations with him—

Mr. WEITZ. The matter came up and you reiterated your interest in making contributions?

Mr. NELSON. It never failed, is my recollection of it.

Mr. WEITZ. Did you meet with him in March of 1971 or around that time in connection with the milk price support decision?

Mr. NELSON. I do not know. I do not remember.

Mr. WEITZ. Do you know whether anyone on your behalf was meeting with Mr. Colson, any of your attorneys?

Mr. NELSON. The only other person would have been Mr. Harrison possibly.

Mr. WEITZ. How about Mr. Chotiner?

Mr. NELSON. He may have, but I doubt it. I would assume that Mr. Chotiner, if he was going to do something, would not have needed to go through Mr. Colson. I may be wrong; I don't know that much about the hierarchy over there.

Mr. WEITZ. Who would he talk to? Who was it your understanding that he had talked to?

Mr. NELSON. He never did say. But I knew that he had known the President long before most of these people, and I assumed that he was talking to him if he was going to talk. Now that may be absolutely wrong, you see. But that was our assumption.

Mr. WEITZ. What about Mr. Hillings? He had written a letter to the President in December 1970 and signed it "Pat," and from previous expectations you were aware that he had a personal friendship with the President.

Mr. NELSON. I would say demonstrably so, based—you know, you cannot rely on what people tell you, because everybody says of a prominent politician, "Oh, I know him," if they met him in a reception line somewhere; and he wouldn't even know him again if he saw him.

But when we had the meeting with the President of—when we had the dairy leaders in, I will put in that way, in March of 1971, I did not really remember that Hillings was there until we got involved in all of this. But then it occurred to me that the President referred to Hillings warmly, you know, in a very cordial and jovial manner, and more or less treated him as the court jester, I would say. I had earlier said that that is what really caused me to decide, I think, that he was close to the President.

Mr. WEITZ. Do you know whether he met with the President or anyone else in the White House in March of 1971 on milk price supports, other than this open meeting that you attended?

Mr. NELSON. To be very honest with you about it, I do not think that he did. I do not think that he had that kind of access.

Mr. WEITZ. Do you recall any meetings with Mr. Harrison or any discussions in the last half of March 1971—more particularly, about setting up committees, or somehow actually getting the contributions going? I take it that up until March 22 there had been no contributions to Republican national committees or on behalf of the President?

Mr. NELSON. I am not sure about that. If they were, they were TAPE and it is a matter of record.

Mr. WEITZ. For example, as a result of your meeting with Mr. Kalmbach and Mr. Evans and Mr. Colson in November 1970, nothing had come out of that meeting yet?

Mr. NELSON. That is right. Nothing had come out of that meeting yet.

Mr. WEITZ. In fact, I believe you said yesterday that you met with Mr. Chotiner and Mr. Kalmbach on the evening of the 24th to discuss the possibility of getting these committees. So until the 24th certainly you had not gotten any results that you could—with respect to committees for contributions?

Mr. NELSON. That is right. The reason I'm saying this is because I cannot recall if we had a few committees before that and we were trying to go ahead and get more, or whether we had not gotten any up to that point.

Mr. WEITZ. Do you recall any specific conversations with Mr. Harrison about moving ahead in a more substantial way with committees and contributions? This would be in the last half of March 1971.

Mr. NELSON. I will be very candid with you about it. When we got—that very short meeting that we had there when we went up to Mr. Kalmbach's room, it was explicitly understood that we would have the committees forthcoming.

Mr. WEITZ. And that you would make the contributions in how short a period of time, do you know?

Mr. NELSON. I do not recall.

Mr. WEITZ. Within 1 month's time?

Mr. NELSON. Well actually, we would just have done it when they gave us the committees. All we wanted were the committees. It was a simple act of writing checks. So there was no quibbling over time at

all. We were willing to do it instantly if they had given us the committees. And as I recall, we still did not get them.

I cannot remember when we got the first bunch of committees that got all the unfavorable publicity, because even when they gave us the committees they bungled it. Now, this may seem extra harsh, but it is a published fact that they did. For instance, one of the committee's address was a hotel ballroom. We didn't know that until we got down to it. Another one, the chairman was a Washington lawyer whose name I cannot tell you. He had not even been consulted, and he was of the opposite political persuasion, and it made him so mad that he blew his stack and called the Clerk of the House—is the report I got. So that is the sort of manner in which they handled this.

Mr. WEITZ. Now, the contribution that you were talking about—were these to come from TAPE, or also from the other two trusts?

Mr. NELSON. When I say this—from TAPE and the other two trusts.

Mr. WEITZ. You felt that—were you speaking on behalf of them when you met, for example, with Mr. Kalmbach?

Mr. NELSON. I would not say that I was speaking on behalf of them.

Mr. WEITZ. You felt fairly confident that they would make contributions?

Mr. NELSON. I felt absolutely confident of it.

Mr. WEITZ. Did you talk to them about that?

Mr. NELSON. Yes.

Mr. WEITZ. Let's take Mid-America. Did you talk to Gary Hanman about it?

Mr. NELSON. Yes.

Mr. WEITZ. Did he indicate how much they were willing to contribute?

Mr. NELSON. I'm sure he did, but I could not tell you.

Mr. WEITZ. How much did you feel you could count on them to contribute though?

Mr. NELSON. I do not know. At the time we knew and hoped for more, but I can't tell you because then they were in their infancy and they did not have the money or the membership that we did.

Mr. WEITZ. What about Dairymen, Inc?

Mr. NELSON. Same thing.

Mr. WEITZ. Who did you talk to?

Mr. NELSON. Paul Alagia.

Mr. WEITZ. And did he indicate he would contribute some?

Mr. NELSON. Yes.

Mr. WEITZ. How much?

Mr. NELSON. I do not recall the amount.

Mr. WEITZ. Were these meetings all taking place in Washington?

Mr. NELSON. There were more than one of these. Meetings took place in Washington, Louisville, or any other place that we might happen to be meeting.

Mr. WEITZ. When you talked to them—this was something that did not just come up in March, I take it. This is something that had been going on for a period of time in terms of talking to them and—

Mr. NELSON. And getting them to form these organizations.

Mr. WEITZ. Not only form the organizations, but talking to them about contributing with you to the President's reelection?

Mr. NELSON. Oh, yes. They understood that.

Mr. WEITZ. Could you tell us what was the urgency of flying to Louisville at 4 in the morning on the morning of the 24th of March to discuss the matter with Mr. Alagia?

Mr. NELSON. The urgency was that you had a—in my view, the urgency was that people get complacent. As long as you have still got something pending you can get a commitment out of them about their contribution.

Mr. WEITZ. Let's step back for a minute. Did you talk on the 23d with Mr. Alagia while he was still in Washington?

Mr. NELSON. I do not recall that I did. I may have. I do not recall seeing him in Washington.

Mr. WEITZ. He was at the meeting with the President, was he not?

Mr. NELSON. I thought that he was. That was my memory. But on that list that I was shown yesterday he was not included, so I do not know whether he was in that meeting or not.

Mr. WEITZ. But presumably before that time you talked to him about this matter of contributing to the President?

Mr. NELSON. We had talked to him about it, yes.

Mr. WEITZ. And he had indicated previously that he would contribute some moneys to the President—SPACE would contribute some moneys to the President?

Mr. NELSON. Yes.

Mr. WEITZ. On the evening of the 23d before you flew out, who were you conferring with that evening?

Mr. NELSON. On the 23d?

Mr. WEITZ. Yes, after the meeting with the President.

Mr. NELSON. I do not—

Mr. WEITZ. Do you remember talking with Mr. Hanman?

Mr. NELSON. Mr. Hanman was with me when I went to Louisville.

Mr. WEITZ. Who else was with you?

Mr. NELSON. Mr. Parr.

Mr. WEITZ. Anyone else?

Mr. NELSON. I don't believe so.

Mr. WEITZ. The three of you?

Mr. NELSON. I believe that is all.

Mr. WEITZ. And you flew to Louisville; what time did you—

Mr. NELSON. See, I was on my way to Jacksonville, Fla., to make a speech at a dairy meeting, so it was decided—why don't we go down there. And Parr was really the pusher. He is always the pusher on this sort of an effort.

So the idea was, we would go down there and talk to Paul and get a commitment about what contributions they would make, and then I would continue on to Jacksonville.

Well, by the time we got down there and got to talking to him, the time for them to get a flight back to Washington was gone. I flew them back to Washington, and then I went to Jacksonville.

Mr. WEITZ. This all would have been in the early morning hours of the 24th of March?

Mr. NELSON. Well, whatever the date was on that flight.

Mr. WEITZ. Well, you referred to the jet log before. Let's refer to that again and see if that clears it up.

On the 23d it indicates D.C. to Louisville, and on the 24th Louisville to D.C., D.C. to Jacksonville, Jacksonville to D.C. So you flew out, at least according to the record, at least left Washington late at night on the 23d, arrived in Louisville early in the morning.

Mr. NELSON. Whatever time it was.

Mr. WEITZ. During the night of the 23d—24th, flew back to Washington, down to Jacksonville and back to Washington. You said you attended the dinner on the night of the 24th, so you were back in Washington for the dinner?

Mr. NELSON. That is right.

Mr. WEITZ. Why were you seeking a commitment on the morning of the 24th of Mr. Alagia if he had already expressed his interest in contributing?

Mr. NELSON. We did not have a—actually, I personally, at the time—just trying to recall—I figured we were more certain to get the money from Mr. Alagia than we were from Mr. Hanman, and we got Mr. Hanman in the posture of going down there to get Alagia, and incidentally we were getting Mr. Hanman.

Mr. WEITZ. So you wanted to line up everybody?

Mr. NELSON. That is right.

Mr. WEITZ. How much money did you want to tell Mr. Kalmbach the next day that you wanted to contribute?

Mr. NELSON. We had already told him long before this.

Mr. WEITZ. How much?

Mr. NELSON. As I have told you repeatedly—

Mr. WEITZ. There's the \$2 million figure that Mr. Hillings stated. Would that be consistent with your previous conversation?

Mr. NELSON. Oh, it would have been—that was not too much.

Mr. WEITZ. More than \$2 million?

Mr. NELSON. We would have if they would have given us the committees.

Mr. WEITZ. Well, you could make that representation, and you had already made that representation according to your testimony, without talking to Mr. Alagia. What was the purpose of getting a commitment from him on some specific amount in the morning of the 24th?

Mr. NELSON. Just because we wanted to—if we got the committees we wanted to be in a position to have them start contributing.

Mr. WEITZ. But you did not have the committees. You had not had them for 3 or 4 months, at least, since the last time that you had met with Mr. Kalmbach and Mr. Evans.

Did you not, in fact, want to get specific amounts from him so you knew you could tell Mr. Kalmbach or some one of the Republican fund-raisers on the 24th that within 1 week or 2 weeks time you could contribute a amount of dollars if the committees were provided?

Mr. NELSON. I don't think we were getting enough money from them to make a whole lot of difference.

Mr. WEITZ. How much did you ask them for?

Mr. NELSON. I do not recall.

Mr. WEITZ. Did you ask them for \$300,000?

Mr. NELSON. They did not have \$300,000, as I recall.

Mr. WEITZ. SPACE?

Mr. NELSON. I don't believe so.

Mr. WEITZ. Did you ask them for \$300,000?

Mr. NELSON. No, I don't recall. Mr. Alagia might remember, but I do not remember how much we might have asked him for.

Mr. WEITZ. How much did you ask him for?

Mr. NELSON. As I say, I do not recall.

Mr. WEITZ. Did you mention a figure?

Mr. NELSON. I am sure we talked about a figure.

Mr. WEITZ. You asked for some specific amount which you cannot recall at this particular time?

Mr. NELSON. That's right, we asked him for a figure.

Mr. WEITZ. Did he agree to make that contribution that you asked for?

Mr. NELSON. He agreed to see what he could do. I do not think he made any firm—

Mr. WEITZ. Did you ask him to make a loan to ADEPT—to have his organization make a loan to ADEPT?

Mr. NELSON. We asked him or it was discussed. I don't remember whether we asked him. It was discussed that one or the other of us would make a loan to ADEPT, and I believe it wound up with TAPE making a loan to ADEPT.

Mr. WEITZ. That's the way it wound up. Did you ask Mr. Alagia to have SPACE make a loan to ADEPT?

Mr. NELSON. We talked to him, whether it would be them or us.

Mr. WEITZ. Did you ask him whether they would be interested in doing so?

Mr. NELSON. I think there was no question about they would have been interested in doing it if they had the money available. As I recall, he did not know how much they had available at that time.

Mr. WEITZ. Was he interested in helping you, but just wanted to check how much they had, and would do everything he could?

Mr. NELSON. My recollection is he was very interested. There was no problem from that standpoint at all.

Mr. WEITZ. He did not think the amounts you suggested were too high.

Mr. NELSON. I have no recollection of his thinking that. He might have said that the money that we were asking for was more than they could do or did have.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. WEITZ. Now, you said that Mr. Hanman and his organization did not have enough money at that time. They were more or less in their infancy. Was not the purpose of talking to Mr. Alagia because they did have along with TAPE—well, not as much as TAPE, but certainly, they had more than ADEPT, and the hope was that they would take up a substantial portion of the amount of money that you wanted to contribute to the President's reelection.

Mr. NELSON. To give as much as they could.

Mr. WEITZ. What would be the idea of a loan to ADEPT? So they could make a contribution right away along with you, and could repay it as they received money from their members?

Mr. NELSON. Yes.

Mr. WEITZ. What was the urgency of them making a contribution before they, in fact, had enough money to cover the contribution?

Mr. NELSON. I think the urgency of that is, when they make the contribution, then that is a spur—go out and secure participants in the program.

Mr. WEITZ. Well, they did not have much funds at that point, certainly not enough to cover the contributions that you are talking about. Isn't that enough of a spur that here we're trying to make contributions, and we don't have enough money? It would have to put them in the deficit.

Mr. NELSON. The proof of the pudding is in the eating. It had not served as a spur, Mr. Weitz; it had not served as a spur up to that point.

Mr. WEITZ. That was the reason they did not have enough money in their treasury?

Mr. NELSON. That is right.

Mr. WEITZ. Did you give a time limit to Mr. Alagia, or a deadline, or a goal?

Mr. NELSON. I believe I told him that I wanted to know by the next morning.

Mr. WEITZ. The morning of the 24th?

Mr. NELSON. Well, the same—

Mr. WEITZ. Some time that day?

Mr. NELSON. I may be wrong. I may not have, but I think I did.

Mr. WEITZ. Did he tell you he would let you know that day?

Mr. NELSON. He told me he would let me know as soon as they—

Mr. WEITZ. Did he later on tell you?

Mr. NELSON. I don't believe he called me, because I was going on to Florida, down at the meeting, making a speech, and so forth. I believe he talked to Mr. Parr.

Mr. WEITZ. What was their decision that was made that day? Do you know?

Mr. NELSON. I don't recall. I think they—

Mr. WEITZ. Did they make the contribution?

Mr. NELSON. I think so.

Mr. WEITZ. Was that as a result of your meeting with him that morning, or at least his response was the result of your —

Mr. NELSON. I think so; yes.

Mr. WEITZ. Is it your recollection that you asked him for at least \$100,000?

Mr. NELSON. I do not remember how much we asked him for. We would ask him to contribute up to the limit of their ability, whatever money they had.

Mr. WEITZ. You were talking about—\$2 million, you said, would not have been too much. What percentage of that did you envision SPACE and ADEPT each contributing?

Mr. NELSON. Oh, say—I do not recall breaking it down that way, but I would say, just in retrospect, at least one-third.

Mr. WEITZ. Together, or each?

Mr. NELSON. One-third to one-half together.

Mr. WEITZ. Or somewhere between \$650,000 to \$1 million together?

Mr. NELSON. Yes.

Mr. WEITZ. So that would mean anywhere from over \$300,000 apiece to almost \$500,000 apiece?

Mr. NELSON. Right.

Mr. WEITZ. Is it likely, then, that you did, in fact, make some request in that range to Mr. Alagia on the morning of the 24th?

Mr. NELSON. It is hard to say. At that point, we were not trying to get the total contribution at that point.

Mr. WEITZ. You were trying to get some portion?

Mr. NELSON. We were trying to get some portion of it, and whatever money they had, that's what we would have been trying to get.

Mr. WEITZ. You were trying to get the \$250,000 to cover the first round for the committees?

Mr. NELSON. Do you mean get all of it from him?

Mr. WEITZ. No, \$250,000; a portion from him, and a portion from ADEPT.

Mr. NELSON. As I say, I do not recall the amount. We were trying to get whatever they could contribute, because—you have got to remember also that, at this point, there was—a lot of us felt that there was a real possibility of consolidating those other two associations into Associated Milk Producers, and we viewed it as one effort.

Mr. WEITZ. Do you recall how many times you met with Mr. Alagia at that airport, or any airport, at 4 in the morning, or thereabouts, either very late at night or very early in the morning?

Mr. NELSON. Mr. Alagia and I have been involved in milk hearings for over a long period of years, and I would say meeting at midnight at an airport is unusual, but not—meeting late at night is not at all an uncommon thing to do with him.

Mr. WEITZ. Was 4 in the morning even more unusual?

Mr. NELSON. We did not get there at 4 o'clock, as I recall. We got there around midnight.

Mr. WEITZ. You waited for him to arrive? You had called his wife to see when he was flying in?

Mr. NELSON. I don't remember if he was at home, or flying in, or what.

Mr. WEITZ. On the 23d, you met with the President. Midnight, or very early in the morning on the 24th, you flew out to Louisville, and asked Mr. Alagia, on behalf of SPACE, to contribute some substantial amounts, but you do not remember what, perhaps to make a loan to ADEPT so that they could also make a contribution. And on the night of the 24th, you met with Mr. Kalmbach and Mr. Chotiner.

Mr. NELSON. No, I met with Mr. Chotiner on the night of the 24th. Mr. Kalmbach was in the next morning. It was after midnight when we finally got Mr. Chotiner to answer the phone in his room.

Mr. WEITZ. It was the night of the 24th, going into the 25th. You met with Mr. Chotiner and Mr. Kalmbach and discussed contributions. Did not these meetings take place because you were making a concerted effort to actually have a specific, substantial amount of money ready to be contributed, or actually contributed in time to get a milk price-support decision?

Mr. NELSON. We had worked on this long before.

Mr. WEITZ. I know, but did you not try to seize the opportunity of the night of the dinner, the meeting with the President, the intervention of Mr. Chotiner and Mr. Kalmbach, to show that you were contributors of some substantial amount on the money right at that time, in order to enhance your chances to get a price-support increase?

Mr. NELSON. If you mean, would I say that I thought that would hurt our chances—of course I didn't think it would hurt them.

Mr. WEITZ. Put it the other way around. Did you do it with the intention of having those in the administration aware that you were, in fact, making substantial contributions at that time, with the hope of getting the increase?

Mr. NELSON. We always hoped to get the increase, No. 1.

Mr. WEITZ. And you hoped that those who were in the administration with some input into the decisionmaking process, were aware that you were making substantial contributions?

Mr. NELSON. I think they all knew that.

Mr. WEITZ. Who do you mean by "they all"? Mr. Colson, certainly.

Mr. NELSON. Yes.

Mr. WEITZ. Anyone else that you know of? Did Mr. Ehrlichman know?

Mr. NELSON. I do not know.

Mr. WEITZ. Mr. Haldeman?

Mr. NELSON. I do not know anything about Mr. Ehrlichman or Mr. Haldeman.

Mr. WEITZ. But it was your understanding from Mr. Colson that others in the administration were aware of your meetings with him, and your intention to make substantial contributions?

Mr. NELSON. The impression I had from Mr. Colson was that the President was aware of it. Let me say this. You have asked me two or three times about Mr. Ehrlichman and Mr. Haldeman. Mr. Colson never indicated to us anything about Mr. Ehrlichman or Mr. Haldeman.

Mr. WEITZ. Did Mr. Colson indicate how he had informed the President, or the President's advisor, of your—

Mr. NELSON. He always wanted short memos.

Mr. WEITZ. We wrote out short memos?

Mr. NELSON. No, we prepared memos for him to submit.

Mr. WEITZ. And what did the memos contain?

Mr. NELSON. Well, they contained data, facts supporting the proposition we were seeking to have adopted.

Mr. WEITZ. I am not talking now—I understand. Obviously, you were doing whatever you could to obtain the increase, in terms of the merits of the case. But I thought that you just indicated that Mr. Colson—that your impression from Mr. Colson was that he had told the President, and the President was aware of your intention to make substantial contributions. Is that correct?

Mr. NELSON. Yes.

Mr. WEITZ. Could you tell us if he indicated how he had informed either the President or the President's advisors of that fact?

Mr. NELSON. No. I just assumed that he had done it verbally. He might have done it otherwise. But he never said, I went in and I said this to the President, or, I told the President so and so. That never took place.

Mr. WEITZ. Do you know whether any copies of any of the documents that you submitted, the short fact memos to Mr. Colson, were retained?

Mr. NELSON. I would imagine that Mr. Harrison has those. As a matter of fact, some were prepared by Mr. Harrison.

Mr. WEITZ. Did you see those documents before they were handed to Mr. Colson?

Mr. NELSON. Sometimes yes, sometimes no. I would say, most of the time I did.

Mr. WEITZ. Let me show you a document dated March 11, 1971, a letter from Mr. Harrison to Mr. Colson, marked as exhibit 7.

[Whereupon, the document referred to was marked Nelson exhibit 7 for identification.¹]

Mr. WEITZ. Now, is this the type of—first of all, have you ever seen this letter? [Pause]

I am not going to ask you in detail about the letter, but I do want to know whether you remember that letter, or letters of that type.

Mr. NELSON. This is not—I do not remember seeing this, but this is not the sort of thing that I am talking about.

Mr. WEITZ. You were talking about a one-page, very brief, fact memorandum.

Mr. NELSON. Yes, not dealing with this aspect of the thing. I am talking about the supportive views.

Mr. WEITZ. Let me mark as exhibit 8, and show you another letter, dated March 19, from Mr. Harrison to John Whitaker, whom I believe was at the White House at that time.

[Whereupon, the document referred to was marked Nelson exhibit 8 for identification.²]

Mr. NELSON. I have been asked by others if I knew Mr. Whitaker, and I do not remember ever having met him.

Mr. WEITZ. But are you familiar with either Mr. Harrison's contacts, or with that letter from Mr. Whitaker? [Pause.] Do you recall that letter?

Mr. NELSON. I do not recall it. Harrison probably showed me both of these things at the time, but I do not recall.

Mr. WEITZ. To your knowledge, Mr. Harrison prepared some of these memorandums that were submitted to Mr. Colson?

Mr. NELSON. Yes.

Mr. WEITZ. Which, as you understand it, Mr. Colson forwarded to others in the administration?

Mr. NELSON. [Nods in the affirmative.]

Mr. WEITZ. On the top of the second page of exhibit 8, it reads: "This is a political question and requires a political answer." It is referring to the price support question. Is that your understanding of the arguments that were being made, some of the arguments being made by Mr. Harrison to Whitaker and others in the administration?

Mr. NELSON. I think all of the economics were on our side. The only argument you could make against not lowering supports—you talk about a price-support increase. It was not an increase. It was a lowering. It was keeping it from being lowered. All we were seeking in this action was to have them maintain it at the same percentage as the previous year. So it was not a price-support increase.

The only argument you could make against it was the political argument that it would not be popular with consumers. In my view, that is the only argument that the opponents had. I do not think it would stand up to any economic argument against it.

Mr. WEITZ. In the last sentence of exhibit 8, it says:

¹ See p. 6711.

² See p. 6714.

"The President's name, not the Secretary's, is on the ballot." Do you know what he meant by that?

Mr. NELSON. I think it is very apparent what he meant by that—that the President runs for election, and the Secretary does not.

Mr. WEITZ. Was that one of the arguments that was being made that for the President not to raise the support price might mean a loss of political support for the President?

Mr. NELSON. Absolutely; I think it would have. Not to raise—I don't like your——

Mr. WEITZ. To raise the price.

Mr. NELSON. To maintain the price support at the percentage level of the previous year is all that we were asking.

Mr. WEITZ. To raise the dollar amount.

Mr. NELSON. It does not raise the dollar amount of income to farmers.

Mr. WEITZ. I said the dollar amount of the price level.

Mr. NELSON. Well, all right. That is the language of the opponents.

Mr. GALLMAN. They have had inflation too.

Mr. NELSON. Just a little.

Mr. WEITZ. On the day of the 24th, when you came back from Jacksonville——

Mr. SANDERS. You do not have to agree to his language if you don't want to.

Mr. NELSON. I know. I just would like the record to reflect that.

Mr. DORSEN. We are all entitled to our own characterizations.

Mr. WEITZ. On the day of the 24th, after your meeting at the airport with Mr. Alagia, did either you or anyone else with AMPI discuss further with Mr. Hanman or any others from the dairy trusts, political contributions to the President? This was on the 24th.

Mr. NELSON. You see, I left—when we originally went down to Louisville, the idea was they would return by commercial air, and I would go to Florida and come back. As a result, I wound up with no sleep that night, and making that speech down there.

Mr. WEITZ. What time did you get back to Washington?

Mr. NELSON. I do not know, but I would say it had to be no earlier than the middle of the afternoon or late afternoon.

Mr. WEITZ. Did you talk to Mr. Harrison upon returning to Washington and before going to the dinner?

Mr. NELSON. I do not believe so.

Mr. WEITZ. Were you not interested in getting those committed as soon as possible? After all, you had flown in the middle of the night to Louisville to talk about a contribution.

Mr. NELSON. I figured there were people left there in Washington who could get them.

Mr. WEITZ. Who was working on that?

Mr. NELSON. Mr. Parr.

Mr. WEITZ. Did he talk to Mr. Harrison?

Mr. NELSON. I don't know.

Mr. WEITZ. Did he report to you about what was being done in the way of contributions?

Mr. NELSON. I do not remember. My recollection is, we still did not get the committees right away. I don't think we got any committees while we were there in Washington.

Mr. WEITZ. When did you first learn of the possibility of meeting with Mr. Kalmbach that night, or early the next day?

Mr. NELSON. I do not recall.

Mr. WEITZ. Was it before the dinner?

Mr. NELSON. As I recall, it was before the dinner, and it may have been the day before, even, or something. I do not recall.

Mr. WEITZ. Were you in contact directly with Mr. Kalmbach on either of those 2 days?

Mr. NELSON. No.

Mr. WEITZ. Who was talking to Mr. Kalmbach for you?

Mr. NELSON. I assume Mr. Chotiner. It was either Mr. Chotiner or Mr. Harrison that——

Mr. WEITZ. Were you talking with them? Mr. Chotiner and Mr. Harrison?

Mr. NELSON. I cannot recall. I do not know, as testified previously, whether it was Mr. Chotiner or Mr. Harrison who told me that they had an appointment with Mr. Kalmbach. He would be there after that dinner and, if I would be back over to the hotel, that Mr. Chotiner would see that Mr. Kalmbach came up with the committees. That was the whole thing. Nobody else had been able to, and we had had previous meetings with them.

Mr. WEITZ. And you were told this sometime before the dinner?

Mr. NELSON. I cannot tell you if it was the day of the dinner or the day before the dinner, or when they told me this, but it was before the dinner.

Mr. WEITZ. Did you know this when you flew out to Louisville?

Mr. NELSON. I don't remember.

Mr. WEITZ. Wasn't one of the reasons you were flying to Louisville was with the expectation that you would be meeting Mr. Kalmbach? You hadn't met with him for a number of months. Supposedly, he was going to come up with the name of committees, and you assumed you would, since a number of months had elapsed since November 1970, and you wanted to be able to tell him exactly what you and the other dairy trusts were to contribute now that the committees were available.

Mr. NELSON. Well, No. 1, there is a certain validity to some of the predicates on which you base your question, and there is a certain invalidity there, too. I won't accept the premise that you say that I was expecting them to come up with the committees, because their track record of coming up with the committees had left me with—I did not expect to get committees, period. That was kind of the stance I was in.

Mr. WEITZ. Why bother to fly to Louisville?

Mr. NELSON. Because——

Mr. WEITZ. In the event they did, you wanted to be prepared to tell them, "this is what we're going to contribute"?

Mr. NELSON. I wanted to be prepared to say, "OK," and not have to be running around.

Mr. WEITZ. In other words, in case they surprised you——

Mr. NELSON. Surprise is a long word, you know.

Mr. WEITZ. In case Mr. Kalmbach was prepared, either that night or very shortly thereafter, to present you with the names of actual committees who would be prepared to receive contributions, you

wanted to be prepared at the meeting after the dinner to tell him exactly what the dairy trusts were prepared to contribute.

Mr. NELSON. I would say that would be logical, if I in fact knew that at the time I went there. I do not recall whether I did know.

Mr. WEITZ. But you say you did know at some time before the dinner?

Mr. NELSON. Yes; I did, and I assume that I knew it at the time I went down there. I am just telling you that I cannot recall when they told me that Mr. Kalmbach would be there, and we would see him. I cannot tell you.

Mr. WEITZ. You said that Mr. Parr, who had returned to Washington—you dropped him off on your way to Jacksonville.

Mr. NELSON. No; we returned—well, a roundabout way.

Mr. WEITZ. But he was in Washington while you were in Jacksonville, the day of the 24th?

Mr. NELSON. Yes, sir.

Mr. WEITZ. You assumed that he was in contact, perhaps with Mr. Harrison, to pursue the matter of contributions and of committees?

Mr. NELSON. Yes.

Mr. WEITZ. He was aware, for example—was he aware of the possibility that you had met with Mr. Kalmbach that night?

Mr. NELSON. I do not think so.

Mr. WEITZ. Did he know that you would be meeting with someone in connection with contributions and committees?

Mr. NELSON. I do not recall having discussed that with him.

Mr. WEITZ. But he was aware of the effort to try to get committees as soon as possible?

Mr. NELSON. He knew that we had made an effort to get committees, and had failed.

Mr. WEITZ. He, of course, was with you in Louisville, so he was also aware of the effort to get the other dairy trusts to contribute along with you.

Mr. NELSON. Oh, yes, he was very aware of that. He is a very vigorous guy in that kind of an effort.

Mr. WEITZ. All right. I believe you said that Mr. Chotiner had told you, on the night of the 24th, that it was not certain, but it looked like the price supports were going to be maintained at 85 percent, or increased, however, you want to phrase it.

Mr. NELSON. He said not to count on it, you know, because this conversation had been going on over there; Page Belcher had been telling it all over the banquet.

Mr. WEITZ. Did he tell you where he got his information?

Mr. NELSON. He really did not tell it to me.

Mr. WEITZ. Did anybody hear?

Mr. NELSON. There's no question about his doing it, because these farmers started coming to me, and said that he was saying this, and at first I thought they were kidding me, you know. So finally, one of them took me by him, you know, and before I could say anything to him, he was telling another one. I was standing there hearing him tell another one that it was a fact. I just could not believe that, you see, that they would make an announcement in that manner. So then, I do not recall the specific discussion, specifically what Chotiner said. He

admonished me not to count on it, that there was still many a slip, and even though we were getting those reports and so forth, not to count on it until the thing was actually signed—not to count your chickens before they hatch, in other words.

Mr. WEITZ. Did he indicate that you would still be well-advised to meet with Kalmbach and make a commitment of contributions that night?

Mr. NELSON. That did not—we were going to meet with Kalmbach. That had nothing to do with whether we should not count our chickens before they hatched, or anything like that.

Mr. WEITZ. All right.

Did you talk with Belcher, and did he tell you how he found out about it, or what he knew about it?

Mr. NELSON. No, I didn't.

Mr. WEITZ. Did Chotiner tell you how he found out what he knew?

Mr. NELSON. No.

Mr. WEITZ. But you again assumed that it was someone knowledgeable in the administration with whom he had talked?

Mr. NELSON. [Nods in the affirmative.]

Mr. WEITZ. Did he tell you he had met with Colson either on the 23d or the 24th?

Mr. NELSON. No, he did not. If he did, I have forgotten it. I do not recall. You see, once again, I do not know who was friendly with whom over there, and I do not know that Chotiner ever talked with him.

Mr. WEITZ. Other than what Mr. Chotiner told you, what other indications did you receive—you heard about Mr. Belcher's comments at the dinner, what other indications did you receive that the price supports would probably be raised in advance of the actual public announcement?

Mr. NELSON. Well, Lilly saying that Connally said he was optimistic about getting something done; that is about here.

Mr. WEITZ. Did Connally's name come up again on the 23d or 24th in connection with the decision? Did you talk to Jacobsen about it, or Lilly about it?

Mr. NELSON. I don't believe so. As I remember that meeting, we had for the President—I am not sure, but I do not believe that Connally was in that meeting.

Mr. WEITZ. Are you aware of the meeting on the afternoon of the 23d, sometime on the 23d, between the President and his advisors?

Mr. NELSON. The President told the whole group there—when you play the tape, you will hear it—he told the whole group that they were going to get together and discuss it further, as I recalled.

Mr. WEITZ. Did you understand that Mr. Connally was to attend that meeting?

Mr. NELSON. I do not remember whether Mr. Connally was in the meeting that we were all in.

Mr. WEITZ. I'm talking about the meeting just between the President and his advisors.

Mr. NELSON. I just assumed he would, because, in the position he was in, as Secretary of the Treasury, it was a matter of—

Mr. WEITZ. No one in your group knew Mr. Shultz very well. Is that right?

Mr. NELSON. No.

Mr. WEITZ. Or anyone on the Council of Economic Advisers very well?

Mr. NELSON. No.

Mr. WEITZ. Of course, you had met with Secretary Hardin and Mr. Campbell frequently.

Mr. NELSON. We knew them.

Mr. WEITZ. And Mr. Jacobsen and Mr. Lilly knew Mr. Connally?

Mr. NELSON. Yes, I would say Mr. Jacobsen knew Mr. Connally far better than Mr. Lilly.

Mr. WEITZ. And Mr. Lilly knew him far better than yourself and Mr. Parr?

Mr. NELSON. No question about that.

Mr. WEITZ. I am not asking you that so much as with relation to other members of the President's closest advisors, that if you understood or felt that Mr. Connally would be meeting with the President on the 23d to either make the decision or, certainly counsel him with respect to the decision?

Mr. NELSON. Yes, I assumed that.

Mr. WEITZ. Did anyone suggest that they talk again with Mr. Connally on either of those 2 days, to either urge him on or find out what was happening, or see what else you could do, who you could talk to, and so forth?

Mr. NELSON. I don't remember. I will tell you, it would be very like Mr. Parr to be trying to get everybody to call everybody that they could about that, and he may have suggested that, but I don't recall it.

Mr. WEITZ. Did anyone suggest that they inform Secretary Connally that contributions are going to be made, so as to perhaps make—give some assistance to Mr. Connally's arguments to someone in the administration?

Mr. NELSON. I think they always knew that we were ready to make the contributions.

Mr. WEITZ. Did Mr. Connally know that?

Mr. NELSON. Well, Mr. Jacobsen knew it, so I am sure that Mr. Connally knew it. Mr. Jacobsen actually made speeches out in the countryside, at country meetings, on the TAPE program, and so forth, not only for AMPI, but for ADEPT; and I think maybe for—I forget which one is which—SPACE is DI, I guess. So for SPACE I know, and I think also for ADEPT. I am not sure.

Mr. WEITZ. After Mr. Chotiner's discussion with you on the night of the 24th about the possibility of an increase, but it not being certain at that point, later that night, or early on the 25th, did you receive any further information from anyone, before the decision was announced, that the decision was going to be announced, or was probably going to be announced?

Mr. NELSON. As I recall, we got a call, about—I cannot tell you when the decision was announced. It seems to me it was around noon. We got a call just about contemporaneously with the announcement, saying that it was being announced.

Mr. WEITZ. Who called you?

Mr. NELSON. As I say, I cannot remember. It seems to me that it was either Mr. Harrison or Mr. Chotiner who called me, but I cannot tell you.

Mr. WEITZ. Do you know who they had talked to?

Mr. NELSON. No. I assume that they had talked over in the Agriculture Department, where the announcement was actually put forth, and they said, "Now it is a fact, we are announcing it, and you can release it," and they called me. And, you know, it might have been somebody from the Secretary's office that called me, too; but my best recollection is that it was Chotiner or Harrison.

Mr. WEITZ. You referred, I think, yesterday to the message on the 23d, phone message to you from Mr. Campbell.

Mr. NELSON. Yes.

Mr. WEITZ. Do you recall talking to Mr. Campbell between the 23d and the 25th?

Mr. NELSON. I do not believe—I might have run him down then. That was the day of the meeting we had.

Mr. WEITZ. The 23d, yes. Did you talk with him before you left Washington that week?

Mr. NELSON. I do not remember.

Mr. WEITZ. Do you know why he called you?

Mr. NELSON. No.

Mr. WEITZ. Now, you said that TAPE and not SPACE had made a loan to ADEPT.

Mr. NELSON. I believe that. I know that TAPE had, and I do not know that SPACE did not. Let me put it that way.

And you said that SPACE didn't. I don't know that SPACE did not.

Mr. WEITZ. Do you know how much the loan from TAPE to ADEPT was?

Mr. NELSON. It seems to me that it was \$50,000, but I could be wrong. The reason for that is, it seems to me, that the prosecutor has asked me about that, or maybe you did the first time I talked to you. I don't really remember.

Mr. WEITZ. Let me show you a letter, which I will mark as exhibit 9 from DeVier Pierson to Mr. Isham, dated March 30, 1971. Have you ever seen that letter?

[Whereupon, the document referred to was marked Nelson exhibit 9 for identification.¹]

Mr. NELSON. I do not recall the letter specifically, but I do recall that Mr. Isham was going to check with Mr. Pierson on the thing.

Mr. WEITZ. I will mark as exhibit 10, and show you a letter, dated April 29, 1971, from Isham to Pierson, with a copy to you, requesting instructions with regard to the reporting requirements for the loan. Have you ever seen a copy of that letter?

[Whereupon, the document referred to was marked Nelson exhibit 10 for identification.²]

Mr. NELSON. It shows here that I did, and I am sure that I did, but I do not remember it.

Mr. WEITZ. Does that refresh your recollection that a \$50,000 loan was made from ADEPT to TAPE?

Mr. NELSON. That confirms my recollection.

Mr. WEITZ. What was the purpose of the loan? Why was the loan made?

Mr. NELSON. So ADEPT would have money with which to make contributions.

¹ See p. 6716.

² See p. 6717.

Mr. WEITZ. Was this connected to the meeting with Mr. Alagia on the morning of the 24th?

Mr. NELSON. That was discussed at that meeting.

Mr. WEITZ. And was this also in connection with your interest that the three dairy trusts would make contributions to committees provided on behalf of the President?

Mr. NELSON. Yes, not only—I want to make it clear. It wasn't only for committees on behalf of the President. It was for any other candidates that the dairy industry was going to support.

Mr. WEITZ. Was your meeting with Mr. Kalmbach about—

Mr. NELSON. That was strictly on the President's bill. That's all we ever discussed with Mr. Kalmbach.

Mr. WEITZ. And he provided the names of committees to use up that \$50,000. Do you feel that you would have preferred at that time—did you prefer that ADEPT contribute to Mr. Kalmbach's committee, as opposed to any other Republican committees that they had?

Mr. NELSON. I personally did, because that was the whole thrust of our effort.

Mr. WEITZ. When did you first receive the names of committees as a result of your contacts with Mr. Kalmbach?

Mr. NELSON. I cannot tell you.

Mr. WEITZ. Let me see if I can show you something to refresh your recollection.

Mr. NELSON. Yes. All right.

Mr. WEITZ. I will mark as exhibit 11 a note, a memo, from the desk of Jane S. Wright, dated April 1, 1971, and it reads: "From Marion Harrison: 'Don't do anything with the following, as there will probably be a name change. We will be back in touch in a day.'" and there are a list of numbers below that, and the attachment lists the names of 101 committees.

[Whereupon, the document referred to was marked Nelson exhibit 11 for identification.*]

Mr. WEITZ. Have you ever seen either that memo from the desk of Jane Wright, or the accompanying list?

Mr. NELSON. That looks like the sort of list—that was the first list we received.

Mr. WEITZ. Does it refresh your recollection that on or around April 1 of 1971, you received a list of committee names from Mr. Harrison?

Mr. NELSON. And I believe that is the first list that we received.

Mr. WEITZ. So within a week's time after this meeting with Mr. Kalmbach, committee names were provided to you?

Mr. NELSON. Yes.

Mr. WEITZ. Were any contributions made at that time?

Mr. NELSON. I believe—

Mr. WEITZ. On or around that time?

Mr. NELSON. Well, my best recollection is that we then proceeded to issue checks payable to these committees.

Mr. WEITZ. Let me ask you this before we get to the contributions. There are 101 committees listed there. Was it your understanding that TAPE would contribute several thousand dollars to each of those

*See p. 6718.

committees, or was it your understanding or intention that the other dairy trusts would contribute some, also?

Mr. NELSON. It was my understanding and intent that the others would contribute also.

Mr. WEITZ. Did you contact them as soon as you received the names of these committees?

Mr. NELSON. No; I did not. If they were contacted, they would have been contacted by Mr. Parr.

Mr. WEITZ. Let me show you exhibit 27 to the testimony of Mr. Lilly.* I will not re-mark it for our purposes. It is a copy of check stubs, I believe 11 check stubs, from the checkbook of TAPE, dated April 26, representing checks, dated April 26, 1971, which—and across the check stubs are written, "void," each check to a different committee name, and in the amount of \$2,500.

Have you ever seen those checks, or does that refresh your recollection as to any transactions in April with respect to these committees? I might add that those committee names represented on those stubs are numbered 10 through 22 minus 21 on this list.

Mr. NELSON. OK, they are off of that list. No; I do not think that I would have ever seen the check stubs.

Mr. WEITZ. Why, on this list, there are some "X's" and there are some dashes on exhibit 11. Do you know why there are different markings next to each of the numbers?

Mr. NELSON. No. Mr. Lilly—

Mr. WEITZ. Do you recall, in April of 1971, checks being issued, or at least drawn and voided, because of some problem with respect to those committees?

Mr. NELSON. No. I recall that there was generally a problem with respect to the committees, if that is what you are wanting to know about, but not with any specific committee named on here.

Mr. WEITZ. Without regard to any specific names, do you recall as to some of the early names you received, whether there was some adjustment and some additional delay that was involved?

Mr. NELSON. Let me look at this thing here. Let us see if this thing will speak for itself.

Mr. WEITZ. All right.

Mr. NELSON. This memo was from Marion Harrison.

Mr. WEITZ. This is exhibit 11 you are looking at?

Mr. NELSON. Right, a memo from Marion Harrison, dated April 1, 1971, which says, "Do not do anything with the following numbered committees, as there will probably be a name change now."

So as I see this here, you asked me about the significance of the diagonal dash, as opposed to an "X" being placed next to the numbers. It seems, at least to start off with, that those included on this list, which he said, do not do anything with, have an "X" opposite—do you want me to go through the whole thing?

Mr. WEITZ. No, that is all right.

But I notice, for example, that on that list of numbers, on the front page of exhibit 11, all the checks that are drawn, on exhibit 27 of the Lilly testimony, are not marked as being so-called—well, committee names that should be delayed, or perhaps bad names and so forth.

*See Book 14, p. 6050.

And yet, those checks that were drawn were later voided. And I am asking you whether you recalled any transaction where checks were voided, and then because of some delay or some problem with respect to those committees, or with respect to any committees provided to you by Mr. Harrison?

Mr. NELSON. I do not remember. I do recall problems in connection with committees, if that is what you mean.

Mr. WEITZ. And did those problems continue after your meeting with Mr. Kalmbach and Mr. Chotiner on the night of the 24th, to the best of your recollection?

Mr. NELSON. Yes. Well, the problems were——

Mr. WEITZ. The problems in obtaining committee names.

Mr. NELSON. I am not talking about that. I am talking about problems with committees not being what they purported to be.

Mr. WEITZ. All right. Do you recall whether, in the summer of 1971, contributions were in fact made from TAPE?

Mr. SANDERS. Before you get to the summer——

Mr. WEITZ. Let's go off the record for a minute.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Mr. SANDERS. The document shown you by Mr. Weitz from Harrison, dated April 1, indicate an enclosure of 101 names of committees, and you had been waiting for the names of these committees for some time. TAPE reports do not show the issuance of any checks to any reelection committees until July 1971.

Do you know why checks were not issued before that time?

Mr. NELSON. No, I do not.

Mr. SANDERS. Did you think they had been?

Mr. NELSON. Yes, I did. I do not recall. I do not recall that there was a delay.

Mr. SANDERS. OK. That is all.

Mr. WEITZ. Do you recall when the first contributions to committee names provided by Harrison from Kalmbach were made?

Mr. NELSON. Well, he has just told me July.

Mr. WEITZ. Do you recall anything with respect to that transaction?

Mr. NELSON. No, I have no independent recollection of that at all. Then, we had a lot of problems as a result of the names.

Mr. WEITZ. That was after the contributions were made?

Mr. NELSON. [Nods in the affirmative.]

Mr. WEITZ. I am still talking about the making of the contributions. Let me show you exhibit No. 3 of the Harrison executive session,* which is a letter from Harrison to you, dated June 16, 1971, with an attached list of committees with names and addresses and so forth.

Do you recall that letter, or the transactions surrounding that letter?

Mr. NELSON. I recall that he sent this later. I cannot recall if this is the specific list. Let me see that thing. I am trying to refresh my memory.

That first list—it may be that that thing was not complete enough to go ahead and send, so that we could do the reporting. I am just trying to think. I do not really recall, but does that contain sufficient information to make payments?

*See Book 14, p. 6287.

Mr. WEITZ. Exhibit No. 11, as I indicated, besides a list of numbers also has a list of names of committees. It does not have addresses or chairmen or treasurers.

Mr. NELSON. That is probably the reason, then. I do not recall, and then seeing this thing coupled with it—he refers to there, we haven't completed—instead of just giving us the list of names, they had to give us addresses and names of people who were chairmen.

Mr. GALLMAN. Let's see the check stubs.

Mr. NELSON. What's the date on that?

Mr. WEITZ. You are looking now at the Lilly exhibit No. 27.

Mr. NELSON. I am wondering if they were written, and then it was decided that it was not complete enough to go ahead. [Pause.] April 26.

Mr. WEITZ. They are all April 26, 1971.

Mr. NELSON. I have no independent recollection of it, but just from seeing these exhibits, I would say that the delay was caused because all they gave us was the names and not sufficient information to go ahead.

Mr. WEITZ. At the bottom of the last sentence of the letter, June 16, 1971, the Harrison exhibit that I was just showing you, reads as follows: "Sometimes it is difficult to honor a commitment."

What commitment was Mr. Harrison referring to?

Mr. NELSON. I assume that he was referring to the fact that we were committed to the proposition that we would raise large sums of money.

Mr. WEITZ. Perhaps \$2 million?

Mr. NELSON. Or more. I don't know why people do not want to accept that fact.

Mr. WEITZ. If you give us a higher figure, we'll accept that.

Mr. NELSON. I want to make it clear, it was one of those areas where there was no specific amount, because we could never get them to give the committees, to even get a portion of it. That's the only point I want to make.

Mr. WEITZ. I want to show you a letter, dated June 29, 1971, which I will mark as exhibit No. 12, which is from Mr. Harrison to you concerning the subject matter of contributions with an attached list of committee names. This is June 29.

Do you remember that letter, or anything in connection with that transaction?

[Whereupon, the document referred to was marked Nelson exhibit No. 12 for identification.*]

Mr. NELSON. I remember that there were, that these sort of lists were sent by Mr. Harrison. Obviously, I cannot remember the specific letter.

Mr. WEITZ. If you look at the list of names, none of them indicate President Nixon's name or the President's name or a reference to the President, is that correct?

Mr. NELSON. Insofar as I recall—do you want me to look at that? But insofar as I recall, I do not recall any of them ever listing the President's name. They were misleading.

Mr. WEITZ. In that connection, did Mr. Isham ever discuss with you the legality of the committees or the legality of TAPE making contributions without some assurance that they were in fact in support of President Nixon's reelection?

*See p. 6723.

Mr. NELSON. I do not recall, but he probably did.

Mr. WEITZ. Let me show you exhibit No. 13, a letter dated July 8, 1971, from Harrison to Isham, I-s-h-a-m, which is an opinion letter with an attached list of committee names indicating that the attached list of committees are bona fide committees capable of receiving contributions.

[Whereupon, the document referred to was marked Nelson exhibit No. 13 for identification*]

Mr. WEITZ. Does that refresh your recollection?

Mr. NELSON. Yes, it does, because I believe Mr. Isham asked me to get Mr. Harrison to write this letter, and as I recall, I called Mr. Harrison and asked him to write the letter, and he did.

That last paragraph takes on significance in view of the fact of what I understand happened to one of those checks.

Mr. WEITZ. Do you want to read that if you think it has some significance?

Mr. NELSON. No, I am just talking.

Mr. WEITZ. OK.

In your deposition in the case *Nader v. Butz* on page 60 you were asked about why there were only checks issued to 50 committees, and a number of other checks later in August by the other two trusts, and then in September. The question goes: "Well, you seem to be saying, if I understand your testimony, that a commitment was made and the money was delivered as requested." And that would be referring to the timing of contributions, and you said: "That's right. That's the way it operates."

Is that your recollection, that contributions were made in installments, so to speak, based upon earlier commitments?

Mr. NELSON. Well, based on the fact that, just as I have told you, we told them from the word "go," that we would make large contributions. And I know people have a difficult time believing that we had the money and were ready to contribute it, and you couldn't get the committees. But now I suppose it is not so difficult for you all since you have the documentary evidence here of how long it took us to get committees that you could properly issue a check to.

I fail to see anything so difficult about forming committees.

Mr. WEITZ. So you were willing to contribute, as you have said all along in your testimony, so long as the committees were provided to you?

Mr. NELSON. That's right.

Mr. WEITZ. And it was really up to the recipients to determine when you would contribute—when they would provide you with committees?

Mr. NELSON. That's right.

Mr. WEITZ. Do you recall in the summer of 1971, in connection with either these or any later contributions of any persons that you discussed this with at AMPI or any of your attorneys, or any of the other dairy trusts?

Let's take Mr. Parr. Did you discuss these contributions with Mr. Parr?

Mr. NELSON. Oh, yes.

Mr. WEITZ. He was aware that contributions were being made?

*See p. 6730.

Mr. NELSON. Oh, yes.

Mr. WEITZ. This was in a sense a followup to the earlier conversations with Mr. Kalmbach?

Mr. NELSON. Mr. Parr, I do not believe—he may have been in the meeting with Mr. Kalmbach, but I would say his view would be that it would be a followup conversation with Colson. Let's get this in the right posture. Mr. Kalmbach was not the one to whom these protestations were made. They were made to Mr. Colson. We were referred to Kalmbach as being the man who would give us the committees, you see.

Mr. WEITZ. So Mr. Colson received the information about what you were interested in doing, and Mr. Kalmbach would actually provide the committees and actually oversee the making of the contribution?

Mr. NELSON. And then at the tail end of the thing, just as I was going out as general manager, we were still discussing with Mr. Kalmbach getting committees.

Mr. WEITZ. I understand that, but before we get to that, did Mr. Parr ever question in 1971 why or to whom the contributions were being made? Was he fully aware why they were being made and to whom they were being made?

Mr. NELSON. Yes.

Mr. WEITZ. How about Mr. Lilly? Was he aware of them?

Mr. NELSON. Of these TAPE contributions?

Mr. WEITZ. Yes.

Mr. NELSON. Oh, yes.

Mr. WEITZ. How about the people in the other dairy trusts—Gary Hanman? As a result of these earlier conversations did he know you were making contributions?

Mr. NELSON. They knew. If you mean, did he know the detail of every committee and all of that; no. But he knew we were making contributions to the committees furnished to us by Marion Harrison.

Mr. WEITZ. Were you aware of the contributions that they were making, SPACE and ADEPT?

Mr. NELSON. If you mean Mr. Parr was aware, and I was in a general sort of way.

Mr. WEITZ. And of course Mr. Harrison was providing names of committees, so he was aware.

What about Mr. Chotiner? Were you ever in contact with him?

Mr. NELSON. I did not discuss the details of this with Mr. Chotiner, as I recall. I think this was pretty well handled by Mr. Harrison, this aspect.

Mr. WEITZ. You have referred to it once before.

Did there come a time in the fall of 1971, after some of these contributions had been made, that it was brought to your attention that there was some irregularity in connection with the committees to which you had contributed moneys for the President?

Mr. NELSON. I cannot tell you exactly when, but Mr. Isham told me that—well, I believe it was in the papers first—one of the first things that I remember was that one of these men had said that he was not the chairman of any such committee, he knew nothing about it and so on. And I believe the newspaper account said that he had complained to the Clerk of the House.

Then we got a bunch of unfavorable publicity in Eastern newspapers about it.

Mr. WEITZ. I have here a letter which I will mark as exhibit No. 14, with attachments from Isham to Harrison, dated October 4, 1971, in connection with the matter of irregular committees, and a copy to Mr. Nelson, Mr. Lilly and Mr. Parr.

Is that some of the correspondence that related to those irregular committees?

[Whereupon, the document referred to was marked Nelson exhibit No. 14 for identification.*]

Mr. NELSON. This is the sort of thing I am talking about.

Mr. WEITZ. How was that matter ultimately resolved with respect to the irregular committees with the wrong chairmen?

Mr. NELSON. I don't know.

Mr. WEITZ. Let's go off the record.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Now, I believe you said that Mr. Jacobsen, and on one occasion Mr. Lilly, talked to Mr. Connally with respect to the milk price support matter, and you understood that perhaps he had talked to others in the administration about that matter; is that correct?

Mr. NELSON. I assumed that he had.

Mr. WEITZ. Did there come a time, sometime after the next 2 or 3 months, let's say, after the increase in the milk price support level, in which Mr. Lilly talked to you about a request for money for Mr. Connally?

Mr. NELSON. No; not that I recall.

Mr. WEITZ. To your knowledge, was any money or moneys ever made available to Mr. Jacobsen for Mr. Connally or to Mr. Connally by Mr. Lilly or anyone in connection with TAPE or AMPI?

Mr. NELSON. I was not aware of that. I did not recall this, and I do not recall it now. I had no awareness of it that I recall until after I was called up here to meet with the prosecutors. Mr. Jacobsen advised my attorneys at that time that Mr. Lilly had given him \$10,000 to be used for such political purposes as Mr. Connally might wish to designate, and Mr. Connally had accepted it and that he had it in his locked box.

Mr. WEITZ. This is what Mr. Jacobsen informed your attorney?

Mr. NELSON. Yes.

Mr. WEITZ. Do you recall talking to Mr. Lilly about anything related to that transaction?

Mr. NELSON. No; I do not.

Mr. WEITZ. Do you ever recall that Mr. Lilly talked to you about a request of money for Mr. Jacobsen, a request that came from Mr. Jacobsen or a request concerning money to go to Mr. Jacobsen?

Mr. NELSON. For Mr. Connally?

Mr. WEITZ. To Mr. Jacobsen for whatever purpose?

Mr. NELSON. No, no.

Mr. WEITZ. You said before that normally Mr. Lilly or Mr. Parr or others did not act with respect to political matters, political contributions without either checking with you and getting your specific authorization or acting consonant with previous discussions they had had with you.

*See p. 6742.

Mr. NELSON. Or with what they, in their judgment, knew I would approve of.

Mr. WEITZ. Had you ever discussed making moneys available to Mr. Jacobsen for political purposes?

Mr. NELSON. No.

Mr. WEITZ. Had you ever discussed Mr. Lilly's making moneys available for political funds from AMPI's funds for whomever would ask for it?

Mr. NELSON. I don't know. I really do not get what you are driving at.

Mr. WEITZ. Well, your attorney was informed by Mr. Jacobsen that Mr. Lilly gave him \$10,000 for Mr. Connally. You have told us that you do not recall discussing with Mr. Lilly that matter, that request.

Mr. NELSON. No, but Mr. Lilly would have known if Mr. Jacobsen wanted \$10,000 to contribute for political purposes at Mr. Connally's direction, he would have known that I would have approved that.

Mr. WEITZ. Would it refresh your recollection if—well, does it refresh your recollection that Mr. Lilly told you of this request by Mr. Jacobsen and asked you how he should obtain the money, and you said you would confer with Mr. Parr about it?

Mr. NELSON. That I would confer with Mr. Parr about it?

Mr. WEITZ. Yes. Did you ever talk to Mr. Parr about a request for money by Mr. Jacobsen?

Mr. NELSON. I do not recall talking to Mr. Parr about that either, and I would think that it would not be. I do not see the logic in my talking to Mr. Parr about it.

Mr. WEITZ. What was the source of the money that went to Mr. Jacobsen?

Mr. NELSON. I do not know.

Mr. WEITZ. What did Mr. Jacobsen do with the money?

Mr. NELSON. What they told me was that he kept it in his locked box.

Mr. WEITZ. Did TAPE report that transaction?

Mr. NELSON. I do not know.

Mr. WEITZ. If it was TAPE money, TAPE would have had to report it, wouldn't it?

Mr. NELSON. Yes.

Mr. WEITZ. If it was AMPI money, how would it have been reported?

Mr. NELSON. I do not know.

Mr. WEITZ. Do you know whether Mr. Lilly borrowed moneys for political purposes in addition to the original loan that we have talked about?

Mr. NELSON. Yes, he did.

Mr. WEITZ. Do you know whether he borrowed money to satisfy the request by Mr. Jacobsen in this instance?

Mr. NELSON. No, I do not.

Mr. WEITZ. You say he did borrow money subsequent to the original loan that we talked about?

Mr. NELSON. Yes.

Mr. WEITZ. For political purposes?

Mr. NELSON. Yes.

Mr. WEITZ. And he was repaid in those instances in the same manner that he was repaid, or he was given money to repay the loan in those

subsequent instances in the same manner in which he was paid for the original loan, is that correct?

Mr. NELSON. That is my understanding, yes.

Mr. WEITZ. From various lawyers and consultants of AMPI?

Mr. NELSON. Mr. Lilly would have to tell you which. I cannot. But that is the same manner.

Mr. WEITZ. Clearly, if he was repaid in that manner it would have been corporate funds paying Mr. Lilly to cover loans which he took out for political purposes?

Mr. NELSON. Right.

Mr. WEITZ. Did he ever get your approval for any of these subsequent transactions?

Mr. NELSON. Do you mean each time he would make a loan, did he? No.

Mr. WEITZ. That's right, or in any of those instances, did he ever tell you about them?

Mr. NELSON. Oh, I was aware he was making loans.

Mr. WEITZ. And he was acting with your approval?

Mr. NELSON. There is no question about that, yes. But as I recall, he did not come and say to me, "now, I'm going to get a loan for this and that." It was a continuing problem and he solved it. He knew it was with my approval.

Mr. WEITZ. Do you know whether he discussed the matter with Mr. Parr?

Mr. NELSON. I would doubt very seriously whether he discussed it with Mr. Parr.

Mr. WEITZ. Why?

Mr. NELSON. Well, No. 1, I would rather let Mr. Lilly say this than I, but he was never a big admirer of Mr. Parr's. They never were too close. And No. 2, I think that Mr. Lilly would have considered Mr. Parr to be one who would not maintain the confidentiality of something.

Mr. WEITZ. Were any of these other moneys — did any of these other transactions these subsequent loans involve moneys that Mr. Lilly made available for Presidential campaigns or Presidential candidates.

Mr. NELSON. Well, I do not know. You will have to get the list from Mr. Lilly.

Mr. GALLMAN. Just a minute.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. NELSON. He reminds me that you were out of the room when there were some questions, I believe from your colleague here, about \$15,000 or \$10,000 in Mills' Presidential campaign that Lilly delivered. That has already been testified to.

Mr. WEITZ. I see.

Mr. SANDERS. With Hamilton in here we got into the Mills' money.

Mr. WEITZ. That is fine. OK. And if you want to return to it later, that is fine.

But other than Mills, you do not recall any other transaction involving Lilly of moneys that went to Presidential candidates?

Mr. NELSON. No, I do not. Lilly would know.

Mr. WEITZ. I have one other area I want to cover before I recess.

Mr. GALLMAN. Just a minute here.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. NELSON. You are talking about the 1972 campaign?

Mr. WEITZ. The 1972 campaign, but of course transactions that might precede it, the years preceding.

Mr. NELSON. I understand that. That is what I am talking about.

Mr. WEITZ. All right. I have one other area I want to ask you about before our recess.

Do you know how much money was contributed by TAPE to each of the committees provided by Mr. Harrison in the middle of 1971?

Mr. NELSON. Generally, \$2,500.

Mr. WEITZ. Was there one exception to that that you know of?

Mr. NELSON. Yes.

Mr. WEITZ. Did there come a time when he, in fact, asked you for a \$5,000 contribution to another committee?

Mr. NELSON. Yes.

Mr. WEITZ. Can you tell us about that?

Mr. NELSON. I have told you all I know about it. It was brought to my attention when I was told that there were suggestions that the money had been used in the Ellsberg break-in, to finance it.

Mr. WEITZ. Let's step back for a minute. Did you receive the request personally from Mr. Harrison?

Mr. NELSON. I could not tell you if I did or did not.

Mr. WEITZ. But you are aware of some additional request. When was this—August or September of 1971?

Mr. NELSON. I cannot tell you.

Mr. WEITZ. Do you know when the contribution was made?

Mr. NELSON. I would have to see the check.

Mr. WEITZ. Do you recall delivering the check to Mr. Harrison at the 1971 annual convention?

Mr. NELSON. No, I do not.

Mr. WEITZ. Did you ever deliver any checks to Mr. Harrison?

Mr. NELSON. Well, I possibly did, but I do not have any independent recollection of delivering any checks to him.

Mr. WEITZ. Do you remember any request for one particular contribution with a great deal of urgency in terms of time?

Mr. NELSON. No; I will tell you frankly that all of the checks that they requested were practically that way. That was one of their problems.

Mr. WEITZ. Do you recall any other request, or one request in which there was only one other contribution requested, in addition to all the others?

Mr. NELSON. No; and I do not recall that one.

Mr. WEITZ. So, aside from what you have read in the papers and been asked by the prosecutors you have no independent recollection of that transaction?

Mr. NELSON. No; I do not.

Mr. WEITZ. Did you know or have you ever heard anything concerning any moneys that were being raised by Mr. Colson for any of his operations?

Mr. NELSON. No, sir.

Mr. WEITZ. Do you know George Webster?

Mr. NELSON. No; I do not. I know who he is because Marion Harrison told me who he is.

Mr. WEITZ. Who is he?

Mr. NELSON. He is a Washington—to put it in the phrase used in the newspapers, he is a “prominent Washington attorney.”

Mr. WEITZ. Do you know of the firm of Wagner & Baroody?

Mr. NELSON. I’m aware of that firm, yes, sir.

Mr. WEITZ. Were they in the employ of AMPI at any particular time?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Could you tell us what time?

Mr. NELSON. No.

Mr. WEITZ. Would that have been before 1971?

Mr. NELSON. I don’t believe so. It could have been.

Mr. WEITZ. What does Wagner & Baroody do? What type of firm is it?

Mr. NELSON. I think it is—I am under the impression that it is a public relations firm.

Mr. WEITZ. You are under the impression? You do not know yourself?

Mr. NELSON. I have no experience with them at all.

Mr. WEITZ. You said that it was an employee of AMPI, and as general manager you have responsibility for hiring and firing employees, consultants, and so forth.

Did you hire Wagner & Baroody?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did you talk with them?

Mr. NELSON. No, sir.

Mr. WEITZ. Who recommended that you hire them?

Mr. NELSON. It was recommended—I will tell you frankly, I have no independent recollection of this, but I talked to Marion Harrison, and he did not have any independent recollection of it until he talked to some attorney, he told me, who said, and refreshed his memory on it, and then he talked to me about it, that it was recommended that Wagner & Baroody be employed by AMPI as a public relations representative in Washington because we needed someone, and the recommendation was made by Mr. Colson.

Mr. WEITZ. To Mr. Harrison?

Mr. NELSON. Yes.

Mr. WEITZ. And Mr. Harrison told you of Mr. Colson’s recommendation?

Mr. NELSON. Yes; Mr. Harrison and I discussed it and said, “Well, you know, what are they going to do for us,” and did not do anything about it.

Mr. WEITZ. You did not do anything about it?

Mr. NELSON. That is right.

Mr. WEITZ. You did not hire them?

Mr. NELSON. Not then.

Mr. WEITZ. When was this recommendation?

Mr. NELSON. I cannot tell you. I cannot tell you when we had this.

Mr. WEITZ. Let me tell you this. If the records of AMPI showing billings from Wagner & Baroody covering the period beginning in

October of 1970, does that refresh your recollection as to when they were first hired?

Mr. NELSON. I would say shortly before that.

Mr. WEITZ. Does that refresh your recollection as to how much before that time that you had this discussion with Mr. Harrison?

Mr. NELSON. No.

Mr. WEITZ. Sometime that year?

Mr. NELSON. Oh, yes. It would have been reasonably close to that.

Mr. WEITZ. Would it have been in the time in 1970 that you were also meeting with Mr. Colson from time to time?

Mr. NELSON. Sure, I'm sure it was.

Mr. WEITZ. You never talked to him directly about Wagner & Baroody?

Mr. NELSON. I do not believe so.

Mr. WEITZ. Did you talk to him in general about public relations firms or the need for public relations firms by AMPI?

Mr. NELSON. No; I think all this was handled by him talking to Mr. Harrison.

Mr. WEITZ. Why didn't you follow his recommendation at the outset when it was first made to you?

Mr. NELSON. We did not see what they were going to do for us.

Mr. WEITZ. Did Mr. Colson or Mr. Harrison indicate how much they thought Wagner & Baroody should be paid or would ask for their services?

Mr. NELSON. As I recall, it was \$25,000.

Mr. WEITZ. \$25,000 a year?

Mr. NELSON. I think that is what it was. I might be wrong, but that is the figure that kind of sticks in my mind.

Mr. WEITZ. Was it ever indicated to you that Mr. Colson wanted you to hire them because they were friends of his or he had some other projects for them?

Mr. NELSON. No; it was not. It was just suggested that we hire them.

Mr. WEITZ. Did they make any other suggestions with respect to hiring firms or consulting firms of any sort?

Mr. NELSON. Not that I recall.

Mr. WEITZ. This was the only recommendation that Mr. Colson ever made through Mr. Harrison to you?

Mr. NELSON. [Nods in the affirmative.]

Mr. WEITZ. This is the only recommendation that anyone made to you about hiring firms?

Mr. NELSON. As far as I know.

Mr. WEITZ. At a later time did Mr. Harrison ask you again about hiring firms?

Mr. NELSON. Well, at a later time, yes. Mr. Colson—

Mr. WEITZ. Insisted?

Mr. NELSON. Well, let's say—that might be a strong way to put it, but urged. Repeated the request is a better way.

Mr. WEITZ. Again to Mr. Harrison?

Mr. NELSON. Yes.

Mr. WEITZ. Mr. Harrison again relayed that to you?

Mr. NELSON. And we decided that we had better do it.

Mr. WEITZ. Why?

Mr. NELSON. Well, because it had been suggested by Mr. Colson was the only reason.

Mr. WEITZ. Did you feel if you did not hire the firm at Mr. Colson's repeated request that you somehow might lose some favor or it might impede your efforts with Mr. Colson?

Mr. NELSON. Yes.

Mr. WEITZ. Was there anything stronger to it than that?

Mr. NELSON. No.

Mr. WEITZ. Did you then contact the Wagner firm?

Mr. NELSON. I do not believe I did.

Mr. WEITZ. You said you never talked to them?

Mr. NELSON. I don't believe I've ever talked to them.

Mr. WEITZ. Either Mr. Wagner or Mr. Baroody?

Mr. NELSON. If I have, I draw a total blank on that.

Mr. WEITZ. Who hired them—who talked to them?

Mr. NELSON. I assume Mr. Harrison did. I have not asked him that, but I assume that's the way it was done.

Mr. WEITZ. Did he indicate that he knew the firm or any of the gentlemen in the firm?

Mr. NELSON. I believe—I don't think—Mr. Harrison?

Mr. WEITZ. Yes.

Mr. NELSON. I believe Mr. Harrison indicated that he did not know them. Mr. Harrison was not urging that this be done until the second——

Mr. WEITZ. Until the second message?

Mr. NELSON. Then after the second time——

Mr. WEITZ. He advised you to do so?

Mr. NELSON. Yes. Well, yes. That's right.

Mr. WEITZ. At the second conversation, was it explained to you or did you discuss what the firm would do for their fee?

Mr. NELSON. No.

Mr. WEITZ. And to your knowledge they were hired for AMPI?

Mr. NELSON. Yes. We paid them. I know that.

Mr. WEITZ. And if the billings for AMPI indicate a fee from October 1970 through January 1972 of \$2,500 a month, is that consistent with your recollection?

Mr. NELSON. Let's see, that would be——

Mr. WEITZ. That would be \$30,000 a year.

Mr. NELSON. That's close enough.

Mr. WEITZ. To your knowledge, did any employee at AMPI ever meet with or talk to anybody from the Wagner & Baroody firm?

Mr. NELSON. Not to my knowledge.

Mr. WEITZ. What did they do for their fee?

[No response.]

Mr. WEITZ. Nothing to your knowledge?

Mr. NELSON. I have said that repeatedly, nothing that I know of.

Mr. WEITZ. Do you know whether they did anything for Mr. Colson?

Mr. NELSON. No; I do not.

Mr. WEITZ. Do you know whether they did anything for Mr. Harrison?

Mr. NELSON. I do not know that they did.

Mr. WEITZ. Did you consider this in the nature of a contribution or gift of the firm to keep the favor of Mr. Colson?

Mr. NELSON. Well, I guess contribution is a better word.

Mr. WEITZ. Did this have anything, to your knowledge, to do with the special projects referred to in the Hillings letter?

Mr. NELSON. I don't think so at all.

Mr. WEITZ. Not to your knowledge?

Mr. NELSON. No.

Mr. WEITZ. Was the firm of Wagner & Baroody or any of their principals ever mentioned to you in connection with the contribution? You have talked about the \$5,000 contribution that was made at Mr. Harrison's request.

Mr. NELSON. No.

Mr. WEITZ. Did you know whether Mr. Colson had made that request, by the way, or was this just another request from Mr. Harrison?

Mr. NELSON. It was just another request. To my recollection, it was just another request. I have no independent recollection of it.

Mr. WEITZ. Mr. Colson's name was never recommended in that connection?

Mr. NELSON. No.

Mr. WEITZ. Did Mr. Colson to your knowledge ever make any recommendation to you or to anyone representing AMPI about political contributions?

Mr. NELSON. I think he did. I cannot tell you which ones or what I think he did—maybe to Mr. Harrison—suggested some committees or something.

Mr. WEITZ. Committees or candidates?

Mr. NELSON. Maybe candidates.

Mr. WEITZ. Was this in connection with the 1970 senatorial campaign?

Mr. NELSON. I am not sure about that, but I believe he did.

Mr. WEITZ. Were you not present at that meeting in his office in the White House?

Mr. NELSON. What meeting?

Mr. WEITZ. Mr. Colson and Mr. Harrison, where Mr. Colson made particular suggestions about particular contributions.

Mr. NELSON. That's what I'm saying. I think he did. I cannot tell you what candidates and so forth.

Mr. WEITZ. But other than that, were there any other instances in which you were aware that Mr. Colson made recommendations for political contributions to either you, Mr. Harrison, or anyone else at AMPI?

Mr. NELSON. I assume that he had a lot to do with the getting of these committees.

Mr. WEITZ. The committees in 1971 for the President?

Mr. NELSON. [Nods in the affirmative.]

Mr. WEITZ. Has Mr. Harrison ever told you what was done with that \$5,000 contribution?

Mr. NELSON. He has told me what he has been told and what he has been asked about it, yes.

Mr. WEITZ. Did he tell you what he did?

Mr. NELSON. Yes; he told me what he had done.

Mr. WEITZ. What did he do with the contribution?

Mr. NELSON. I may even remember what he told me wrong, but it seems to me that he took it to George Webster's office, or whatever Webster's first name is.

Mr. WEITZ. Did he mention the relationship to Wagner & Baroody of that contribution?

Mr. NELSON. No.

Mr. WEITZ. Or to Mr. Colson?

Mr. NELSON. Well, that was in the newspapers.

Mr. WEITZ. But other than what you've read in the newspapers?

Mr. NELSON. No; he told me how he took the check to George Webster.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. WEITZ. Let's recess for lunch.

[Whereupon, at 12:45 p.m., the committee recessed, to reconvene at 1:30 p.m. the same day.]

AFTERNOON SESSION

Mr. WEITZ. Mr. Nelson, I would just like to ask you a few more questions about the price support pressure in 1971 before I move on to 1972. One, have you ever seen the report to the general manager dated December 1, 1971, of AMPI to its board of directors?

Mr. NELSON. A report of the general manager?

Mr. WEITZ. I am sorry, of the general manager of AMPI to its board of directors.

Mr. NELSON. Yes.

Mr. WEITZ. There is one page I wanted to direct your attention to. Now, on page 14 of the report, it says, the full paragraph reads as follows:

What we have done has been worth the doing. Adjustments in price supports were worth at least \$300 million in income to dairy farmers.

And this I think is referring to the TAPE program mentioned just before.

Was that, and is that still, your evaluation of the benefit derived as a result of the price-support increase in 1971?

Mr. NELSON. You have to understand, that is to all dairy farmers.

Mr. WEITZ. As opposed to whom?

Mr. NELSON. As opposed to just members of Associated Milk Producers.

Mr. WEITZ. I see.

I would like to mark as exhibit 15 a memorandum to you dated May 19, 1971, from George Mehren.

[Whereupon, the document referred to was marked Nelson exhibit No. 15 for identification.*]

Mr. WEITZ. Have you ever seen a copy of that memorandum—before I question you with regards to specific items, do you recall the memorandum?

Mr. NELSON. I recall Dr. Mehren discussing these matters with me. I do not recall the memorandum, but the contents of it are familiar to me.

Mr. WEITZ. On page 2 of the memorandum, which is item No. 4, it refers—it goes as follows:

Reference is made to alleged bragging by people affiliated with AMPI after the reversal of the price support decision.

*See p. 6750.

Were you aware of any such boasting or bragging or any such conversations in the industry in that connection?

Mr. NELSON. I admonished the key people not to engage in that sort of thing, and I have no——

Mr. WEITZ. Were those people involved in such——

Mr. NELSON. Not that I know of.

Mr. WEITZ. Who did you admonish?

Mr. NELSON. Just anybody. People were pleased that the thing had been reversed.

Mr. WEITZ. Did you admonish Mr. Parr?

Mr. NELSON. I do not recall specifically admonishing Mr. Parr.

Mr. WEITZ. Was he boasting or bragging?

Mr. NELSON. I do not recall that he was.

Mr. WEITZ. Item No. 15 in the memo, a portion of which reads as follows:

My reaction is a fairly firm opinion that the Department has now decided to work with us. After talking with Messrs. Palmby and Lyng, I spent some 20 minutes on the patio with the Secretary. Again, the reception was gracious and the tone of the conversation was warm.

Purely as a guess, I suspect that the means for resolution of the price support controversy has impressed the Department. I get the feeling that the Department officers have been instructed to cooperate with us. Accordingly, I have agreed periodically to discuss specific interests of AMPI with them.

Do you know what Dr. Mehren was referring to when he refers to "the means for resolution of the price support controversy"?

Mr. NELSON. Yes; I would think that he was referring to the fact that we took the decision to the President.

Mr. WEITZ. And that the President overruled the Secretary?

Mr. NELSON. I know that the press has reported that the Secretary said that he was against it and so forth, but I still think that Secretary Hardin is enough of an agricultural economist that he recognized the validity of our position and he was overruled by the Council of Economic Advisers, which is a customary thing in any administration. It happens in all of them, and I do not think Secretary Hardin was ever unhappy that we got our facts before the President, and that the decision was made.

He raised a question of oversupply, which certainly did not materialize.

Mr. WEITZ. Did he raise that question at the meeting with the President?

Mr. NELSON. As I recall, I do not believe he said anything there. He probably did, since it was an agricultural thing, but really, I do not recall that he said anything in that meeting. He may have said, you know, a word or two, but not very much.

I did not view Secretary Hardin—I want to say this. I did not view Secretary Hardin as an adversary.

Mr. WEITZ. What about the position taken by Under Secretary Campbell?

Mr. NELSON. I did not view Under Secretary Campbell as an adversary. I viewed him making the statement that he made solely because he was in the posture of defending a position that had been taken by his superior, the Secretary.

Mr. WEITZ. But at least ostensibly, he had defended the position at the meeting with the President?

Mr. NELSON. Not vigorously; he just raised that as one possibility. He was not an adversary in the meeting with the President.

Mr. WEITZ. I did not say an adversary, but he spoke up in favor of the position that had been taken?

Mr. NELSON. No, he just said there is one thing to take into consideration in deciding—there is one thing to be considered in reaching a decision as to whether or not this decision to maintain the supports at the level of last year should be made, and that is the question of what will it do to—insofar as attracting additional supplies of milk.

Those are my words and not his, but that is the sense of it.

Mr. WEITZ. Now, I would like to turn your attention to principally 1972. I believe that you said before, you testified to some mixup that had occurred and some publicity in 1971 as a result of the contributions to a number of the multiple committees provided by Mr. Harrison.

Was there any discussion or decision in late 1971 to try to either delay further contributions for a time, or to find an alternative means to make additional contributions?

Mr. NELSON. In 1971?

Mr. WEITZ. Late 1971, before the President's reelection.

Mr. NELSON. Not that I recall.

Mr. WEITZ. Was there anything that grew out of any discussion of whether or not additional contributions should be made, and if so, how that resulted from the publicity and so forth in the fall of 1971?

Mr. NELSON. Not that I recall. I did not know any other way to do it.

Mr. WEITZ. Did there come a time in 1972 when you met with Mr. Kalmbach with respect to political contributions?

Mr. NELSON. Yes, sir.

Mr. WEITZ. By the way, did you meet with Mr. Kalmbach after the meeting on March 24, and before 1972?

Mr. NELSON. Let us go off the record for a minute, if I may.

Mr. WEITZ. All right.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Mr. NELSON. I do not recall; I may have.

Mr. WEITZ. Did you talk to anyone from any fundraisers?

Mr. NELSON. Well, that is all I recall.

Mr. WEITZ. Did you have any further meetings in 1971 with Mr. Colson?

Mr. NELSON. The dates bother me. I cannot remember when it was that we were talking about the decision on the Tariff Commission's recommendations, and the attempt to get a proclamation from the President.

Mr. WEITZ. With regard to cheese or the other products?

Mr. NELSON. Either one or both.

Mr. WEITZ. There were some meetings in that connection in 1970. I do not know about 1971.

Mr. NELSON. I probably did not have any additional meetings with him.

Mr. WEITZ. Did you meet with Mr. Colson with respect to getting the President to attend the 1971 convention?

Mr. NELSON. Yes, we met—well, wait a minute. That was pretty well set when we met in September, the latter part of September 1970, is when we met with the President, and discussed with him personally his speaking at the 1971 convention.

Mr. WEITZ. And you met again of course, with the President in March 1971. After that time, did you meet again with Mr. Colson to arrange for the President's attendance at the 1971 convention?

Mr. NELSON. I do not recall.

Mr. WEITZ. And do you recall whether you met with Mr. Kalmbach in 1971 after the price support increase?

Mr. NELSON. I do not believe that we did.

Mr. WEITZ. You said there did come a time when you met with Mr. Kalmbach in 1972?

Mr. NELSON. Right.

Mr. WEITZ. Approximately, when was the first time you met with him?

Mr. NELSON. In 1972?

Mr. WEITZ. In 1972.

Mr. NELSON. Approximately, January 15 or 16.

Mr. WEITZ. Was that 1 or 2 days after you were replaced as general manager of AMPI?

Mr. NELSON. That is the reason I can fix the date, yes.

Mr. WEITZ. Who arranged for the meeting?

Mr. NELSON. Mr. Jacobsen.

Mr. WEITZ. Was this the first time that he had arranged a meeting between you and Mr. Kalmbach?

Mr. NELSON. I cannot tell you. I cannot tell you whether it was—I believe he arranged an earlier meeting that we had had with Mr. Kalmbach in an attempt—with Mr. Kalmbach and others—in an attempt to get these committees named.

Mr. WEITZ. When was that?

Mr. NELSON. I do not know. I can tell you where it was. It was in the Madison Hotel, and those present were Tom Evans, Mr. Kalmbach, Marion Harrison, for a short period of time, a very short period of time while we were there, Mr. Colson.

Mr. WEITZ. Was this the meeting in November 1970, or sometime in 1970, to which we have already referred?

Mr. NELSON. Yes, that is the same meeting.

Mr. WEITZ. Mr. Jacobsen arranged that meeting?

Mr. NELSON. As I say, I do not know.

Mr. WEITZ. I thought you were testifying that you thought Mr. Harrison or Hillings had arranged that meeting?

Mr. NELSON. It was either they or Mr. Jacobsen. I do not know which.

Mr. WEITZ. In addition to that meeting, and before the meeting in 1972, in January of 1972 with Mr. Kalmbach, do you know of any other meetings which Mr. Jacobsen—

Mr. NELSON. I do not recall any.

Mr. WEITZ. Why did Mr. Jacobsen arrange the meeting and not Mr. Harrison or Mr. Chotiner?

Mr. NELSON. I do not believe that Mr.—I am not sure about how things were done over there.

Mr. WEITZ. These were your lawyers.

Mr. NELSON. That is right; they were my lawyers, but they all did different—they worked with different people. And Mr. Jacobsen was the one whose partner, Mr. Semer, had made the initial contact with Mr. Kalmbach.

Mr. WEITZ. That was over 2 years before?

Mr. NELSON. That is right. And Mr. Harrison and—they were working through the contacts that Mr. Harrison had, that I was aware of, with Mr. Colson; and I believe the first time Harrison was in a meeting with Kalmbach, was in that meeting that I told you about where we had been over to the Secretary's office.

Mr. WEITZ. September of 1970, but again, we are talking about early 1972. And what I am asking you, was there any, to your recollection, any change in strategy or conscious effort to have someone else deal with Mr. Kalmbach rather than Mr. Harrison, or Mr. Harrison's firm?

Mr. NELSON. Not that I recall.

Mr. WEITZ. Did you ask Mr. Jacobsen to arrange the meeting with Kalmbach?

Mr. NELSON. Yes.

Mr. WEITZ. For what purpose?

Mr. NELSON. Once again, to see what we could do about getting committees.

Mr. WEITZ. I think the records would show that you and the other dairy co-ops had received the names of 100 committees, and contributions had been made to nearly all of them; I think approximately 93 of them.

What was the need to meet with Mr. Kalmbach again? Apparently the mechanism had been put into order.

Mr. NELSON. It was not being followed through.

Mr. WEITZ. In other words, you wanted to make additional contributions?

Mr. NELSON. Yes.

Mr. WEITZ. At least as much as had been made before?

Mr. NELSON. I do not recall how much had been made before.

Mr. WEITZ. If the 100 committees had received \$232,500, would it have been at least as much as that?

Mr. NELSON. Yes.

Mr. WEITZ. Why did you not make additional contributions to those same committees?

Mr. NELSON. Well, I do not—it had not occurred to me in the first place to make them to those same committees. I do not know that those were continuing and ongoing committees. And there had been a lot of unfavorable publicity in connection with the makeup or the locations, and the questions that I raised before and you showed me the articles about letters.

Mr. WEITZ. Was there not really a desire to find another method, or at least other committees or something?

Mr. NELSON. Other committees of a more solid basis, a more credible basis.

Mr. WEITZ. Committees that perhaps had existed for other purposes, and had some other reason to exist, other than to receive contributions from you?

Mr. NELSON. No, I do not recall that as being—

Mr. WEITZ. But at least other committees?

Mr. NELSON [continuing]. Just a valid—other committees, yes.

Mr. WEITZ. Did you discuss this with Mr. Harrison?

Mr. NELSON. I do not recall that.

Mr. WEITZ. This interest in meeting with Mr. Kalmbach to getting other different types of committees?

Mr. NELSON. I do not recall discussing this meeting with Mr. Harrison.

Mr. WEITZ. What about this interest in getting different committees, different types of committees?

Mr. NELSON. We discussed that from time to time, and Mr. Harrison fully agreed, that this was just a poor way of doing it. He was a victim of it, you understand. They forced these committees on him.

Mr. WEITZ. Had Mr. Kalmbach, between the time that you met with him in March of 1971 and the time that you met again with him in January of 1972, indicated to anyone that he wanted to meet with you again or meet with the dairy people to discuss further contributions?

Mr. NELSON. I believe that the meeting that we have just been talking about was—I do not believe it was at his request. I believe it was at mine.

Mr. WEITZ. The one in January?

Mr. NELSON. Yes. I believe that is the way it was.

Mr. WEITZ. But had there been any earlier requests by Mr. Kalmbach to meet with you, or to see about more money coming in from the dairy people?

Mr. NELSON. Not that I recall.

Mr. WEITZ. Where did this meeting take place in January of 1972?

Mr. NELSON. In California, in Mr. Kalmbach's office.

Mr. WEITZ. And who was present?

Mr. NELSON. Mr. Jacobsen, Mr. Kalmbach, and I.

Mr. WEITZ. And you place that at about January the 15th or 16th?

Mr. NELSON. Yes.

Mr. WEITZ. How many days after were you replaced as general manager?

Mr. NELSON. Two or three.

Mr. WEITZ. Did you and Mr. Jacobsen fly out to California from Texas?

Mr. NELSON. Yes.

Mr. WEITZ. And fly back immediately after the meeting?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Your sole purpose in going to California was to meet with Mr. Kalmbach?

Mr. NELSON. Yes, sir.

Mr. WEITZ. What took place at the meeting?

Mr. NELSON. We just met with Mr. Kalmbach, and discussed the need for committees, and that is about the sum and substance of it. And it was agreed, as I recall, it was agreed that we would be back, or that Dr. Mehren would be back.

Mr. WEITZ. And by this time, of course, Dr. Mehren was general manager?

Mr. NELSON. He was general manager when I left.

Mr. WEITZ. Did you discuss this meeting or tell Dr. Mehren of the meeting before you left?

Mr. NELSON. We certainly did. Now, I am surprised—I have just read in the press where Dr. Mehren testified in the deposition in San Antonio that he was not aware that Mr. Jacobsen and I had the honor. We had not told him about the trip.

But the fact is, and I could see how he might have forgotten, but the fact is that he asked me, was there anything pending that I needed to take care of, and so on. And I told him, that I did have this meeting with Mr. Kalmbach, and asked him whether he wanted me to do it, or whether he wanted to do it. And he told me to go ahead and go. And I took the jet.

Mr. WEITZ. The company jet?

Mr. NELSON. Yes; and Mr. Jacobsen and I flew out in that jet and flew back, and then I reported to him about the meeting. And approximately 2 weeks after that—approximately—Dr. Mehren, Mr. Jacobsen and I went back to California and met with Mr. Kalmbach.

Mr. WEITZ. In your conversation with Dr. Mehren either before the first meeting in January, or between the first and second meeting with Mr. Kalmbach, did he ask you whether any commitments had been made for political contributions?

Mr. NELSON. I think he asked me what we were committed to do or—

Mr. WEITZ. What you had told him?

Mr. NELSON. What we had told him.

Mr. WEITZ. What did you tell him?

Mr. NELSON. I told him the same thing I have told everybody else, that we indicated that we would make large contributions, and had been unable to get the committees.

Mr. WEITZ. Did you indicate, for example, that the figure of \$1 or \$2 million or more had been mentioned from time to time?

Mr. NELSON. I do not remember giving him specific figures, but I indicated large sums.

Mr. WEITZ. Did he ask for specific figures?

Mr. NELSON. I do not recall that he did.

Mr. WEITZ. Did you indicate that those intentions or commitments, however you want to characterize them, had been fully satisfied?

Mr. NELSON. No; I told him they had not been.

Mr. WEITZ. So your understanding is that he asked you, and understood from you, that you represented that large contributions would be made, and that not all of those contributions represented had, in fact, been made?

Mr. NELSON. That is right, but I do not mean that I represented to him that we had any contractual or anything that binding; but just as you say.

Mr. WEITZ. Have you ever been a party to a contractual agreement to make political contributions?

Mr. NELSON. No.

Mr. WEITZ. In fact, it is unusual if ever such an agreement is entered into, but rather one states what one is going to contribute and goes ahead and makes those contributions?

Mr. NELSON. That is right.

Mr. WEITZ. And you had made representations to Mr. Kalmbach and others as to substantial contributions to be made, which had not yet fully been made?

Mr. NELSON. That is right. That was my view.

Mr. WEITZ. Did you talk to Mr. Kalmbach about meeting or making substantial contributions but perhaps in lesser amounts than had previously been contemplated or mentioned?

Mr. NELSON. Do you mean in lesser installments?

Mr. WEITZ. No.

You had spoken and he perhaps understood, either directly or indirectly of the amounts that had been mentioned, and the fact that you had intended to make substantial contributions perhaps in excess of \$2 million.

Did you indicate in some way that you hoped or intended that contributions would be made, but that perhaps in lesser amounts or in an aggregate smaller than had originally been intended?

Mr. NELSON. I do not recall doing that.

Mr. WEITZ. I would like to show you the portion that we have of a memorandum dated February 1, 1972 from Gordon Strachan to H. R. Haldeman, and the subject is political matters. We only have page 2 of the memorandum.

Mr. WEITZ. I do not expect you to be familiar with this particular memorandum, but let me read it to you.

Kalmbach is very concerned about his involvement in the Milk Producers' situation. He believes that Jacobsen and Nelson will deliver, although they have cut the original \$2,000 commitment back to \$1,000. Kalmbach's concern centers around recent press disclosures that link Jack Gleason and the 1970 campaign election funding.

Kalmbach will accept the risk of being subpoenaed by the court in connection with the Nader milk suit. The Attorney General believes Kalmbach should continue to handle the milk project, but Kalmbach wants your advice.

Recommendation that Kalmbach not be involved in the milk project, because of the risk of disclosure.

Did you make a representation that your original commitment would be cut in half, or down to \$1 million in your conversation with Mr. Kalmbach?

Mr. NELSON. I do not recall that at all.

Mr. WEITZ. Did Mr. Jacobsen do so?

Mr. NELSON. I do not think so.

Mr. WEITZ. Did he tell you that he was doing so, or was indicating to Mr. Kalmbach that the original commitment would be approximately one-half?

Mr. NELSON. I do not remember that.

Mr. WEITZ. Do you have any idea, if, in fact, Mr. Kalmbach told Gordon Strachan this as a result of that meeting in January, how Mr. Kalmbach arrived at that conclusion?

Mr. NELSON. Well, he is bound to have—if he arrived at it as a result of that meeting on the basis of something that was said there, I do not recall having produced that amount.

Mr. WEITZ. Did you tell him to the contrary, that the original commitment would be honored, or something to that effect?

Mr. NELSON. Yes; that was the general tenor of the whole meeting. But you see, once again, there was never any specific amount, so when you say, well, they cut the specific amount in half, it is whether the

original agreement or whatever you want to call it; it all depends on what your notion of the amount was.

Mr. WEITZ. Let us say no specific amounts were discussed at the meeting, but that Mr. Kalmbach was aware of previous discussions or the Hillings letter, or whatever else had been discussed; so that he was aware, let us say, of a \$2 million representation or commitment.

Mr. NELSON. But you see though, if you followed that line of reasoning, we had already, as you pointed out, made substantial contributions. I do not remember what they were.

Mr. WEITZ. Close to one-quarter of a million dollars.

Mr. NELSON. You see, if you proceeded on the assumption that there was an original deal of \$2 million, an original agreement \$2 million cut to \$1 million, then that would just leave \$750,000 under that. Right?

Mr. WEITZ. Right; that is a substantial amount of money though.

Mr. NELSON. Oh, yes, it certainly is.

Mr. WEITZ. How did it come to pass that you met again with Mr. Kalmbach? Was that arranged at the first meeting with him in January?

Mr. NELSON. I believe it was agreed that we would be back in touch; as I recall, there was no specific date set at that time. Then we got back with Dr. Mehren, and it was agreed—I do not recall how it was agreed, but anyway, it was agreed—we would return there in approximately 2 weeks after the date that we had returned from California.

Mr. WEITZ. Who arranged that second meeting?

Mr. NELSON. I think Mr. Jacobsen.

Mr. WEITZ. Between the first and second meetings, was there any further discussions with Mr. Kalmbach, other than Mr. Jacobsen arranging for the meeting?

Mr. NELSON. I do not believe so.

Mr. WEITZ. Who was present at the second meeting?

Mr. NELSON. Dr. Mehren, Mr. Jacobsen, and I, and as I recall, one of Mr. Kalmbach's partners. I do not remember his name.

Mr. WEITZ. One or two of his partners?

Mr. NELSON. As I recall, it was one. It might have been two.

Mr. WEITZ. Was it Frank DeMarko?

Mr. NELSON. I believe that is the name.

Mr. WEITZ. Was there a Robert Olsen also present? Do you recall that?

Mr. NELSON. I do not recall that.

Mr. WEITZ. And the meeting took place in California?

Mr. NELSON. Yes, sir.

Mr. WEITZ. It began in Mr. Kalmbach's law office?

Mr. NELSON. Yes. We ate breakfast or lunch, I forget which, at a club very close to the office.

Mr. WEITZ. Did the three of you fly out from Texas to the meeting?

Mr. NELSON. Yes.

Mr. WEITZ. And you flew back after the meeting?

Mr. NELSON. Yes.

Mr. WEITZ. And the sole purpose of flying to California was this meeting with Mr. Kalmbach?

Mr. NELSON. I do not believe there was any other business transacted at all.

Mr. WEITZ. Could you tell us what was said at the meeting, or the substance of what was said at the meeting?

Mr. NELSON. Well, I will tell you. I cannot tell you—the net effect or result of the meeting was that Mr. Kalmbach was going to think about methods or the manner in which contributions should be received, and Dr. Mehren was going to return and consider whether or not contributions were going to be made.

That is just about the best way I know how to put it.

Mr. WEITZ. Did Mr. Kalmbach in a general, nonpressurized way indicate that they would appreciate support from the dairy trusts or dairy people?

Mr. NELSON. Well, he did not indicate that it would not be welcome, I will put it that way, as I recall. I do not think there was any evidence from Mr. Kalmbach at that point that they did not want the contributions.

Mr. WEITZ. Did Mr. Kalmbach make any suggestions or give any hypothetical examples of how additional contributions could be made or should be made?

Mr. NELSON. It seems to me some question came up about when.

Mr. WEITZ. Meaning the timing?

Mr. NELSON. Meaning the timing, but I do not really recall the details.

Mr. WEITZ. Do you recall, for example, any discussion of one-third of a total contribution being made in February, and another third in March, and another quarter just before April 7, and the remainder after April 7?

Mr. NELSON. I do not recall how it was put, but there was some discussion about the desirability or undesirability, either way, of getting these contributions in before the deadline.

Mr. WEITZ. The deadline being April 7, 1972?

Mr. NELSON. [Nods affirmatively.]

Mr. WEITZ. What did you understand to be the significance of that deadline or that date?

Mr. NELSON. Well, that was the date they felt the new legislation would be effective requiring reporting.

Mr. WEITZ. So the thrust of the discussion was, if contributions were to be made, how they might be made to minimize the reporting that would be required after April 7?

Mr. NELSON. Yes, both of those; how they should be made; both before and after.

Mr. WEITZ. And was there an indication that Mr. Kalmbach preferred that they be made prior to April 7?

Mr. NELSON. I think, as I recall, we were discussing the method of doing—the desirability of doing some before, but also how it should be done after.

Mr. WEITZ. I see.

Were there going to be a number of committees to receive the contributions prior to April 7? Was that the suggested arrangement?

Mr. NELSON. As I recall, yes.

Mr. WEITZ. What was Dr. Mehren's reaction to that? Did he have any reaction, or did he comment on that?

Mr. NELSON. As I recall, Dr. Mehren preserved his options.

Mr. WEITZ. Did he indicate any displeasure with that suggestion, even if he did not ultimately reject it?

Mr. NELSON. I do not recall that he did.

Mr. WEITZ. Did you comment on it?

Mr. NELSON. I do not recall that I did.

Mr. WEITZ. Were you in favor of additional contributions prior to April 7 by such an arrangement?

Mr. NELSON. Would I have been?

Mr. WEITZ. Were you?

Mr. NELSON. Well, at that point, you see, I had no—I was trying to be very, let us say, chameleonlike, and just fade into the background.

Mr. WEITZ. Did you express your opinion, or did Dr. Mehren ever ask for your opinion with respect to contributions?

Mr. NELSON. I do not believe that he did; he may have.

Mr. WEITZ. How about Mr. Jacobsen? Did he express an opinion either during the meeting or after?

Mr. NELSON. I just do not remember that much about the meeting.

Mr. WEITZ. Were any figures discussed, any amounts of contributions, even in the hypothetical sense?

Mr. NELSON. I do not recall.

Mr. WEITZ. Do you recall—was the figure of \$350,000 discussed or mentioned?

Mr. NELSON. I just cannot tell you. I would say this though, in my mind at least, we were certainly talking about that much or more.

Mr. WEITZ. Was the figure of \$750,000 discussed?

Mr. NELSON. I just do not remember the figure, but it was substantial.

Mr. WEITZ. Was a figure discussed or mentioned by anyone?

Mr. NELSON. I do not remember. There probably was, but I just could not tell you what the figure was; if it was, in fact, mentioned.

Mr. WEITZ. What was the result of the meeting? How was it left?

Mr. NELSON. Just as I said, that we would be back in touch.

Mr. WEITZ. Who was to take the initiative? What was the contingency?

Mr. NELSON. I do not think it was clearly defined, as I remember, who was going to take the initiative. Dr. Mehren was going back, and he was going to consider, you know, whether and how much. And Mr. Kalmbach was going to explore the ways and means, and I do not—undoubtedly one of them said who would call whom, but I do not remember.

Mr. WEITZ. Did Dr. Mehren ever tell you that he wanted to honor or intended to honor any commitments that had been made?

Mr. NELSON. Yes.

Mr. WEITZ. Did he do that before or after this meeting with Mr. Kalmbach, which he attended?

Mr. NELSON. He told me that immediately after the change, and I think he reiterated that on other occasions at later times.

Mr. WEITZ. Let me ask you this. In late 1971 or any time in 1971, had Mr. Kalmbach come to you with additional committees in addition to the 100 committees?

Mr. NELSON. Not that I recall.

Mr. WEITZ. No; I am asking had he done so.

Mr. NELSON. Oh, had he done so.

Mr. WEITZ. Had he done so, would you have felt that you had represented that you would make contributions to those additional committees?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Did you consider that a commitment, as political contributions go?

Mr. NELSON. Yes, sir. I would.

Mr. WEITZ. Was it a commitment on behalf of AMPI or TAPE?

Mr. NELSON. To the extent that—yes. It was made on their behalf.

Mr. WEITZ. When Dr. Mehren asked you—did he ask you whether any commitments had been made? I believe I have asked you this, and I believe you said, “he did.”

Mr. NELSON. Yes; he wanted to know what major obligations we had.

Mr. WEITZ. So you had recounted what had gone on, and in your mind, that amounted to a commitment?

Mr. NELSON. Yes.

Mr. WEITZ. Did you tell him so?

Mr. NELSON. I told him how I felt about it, yes.

Mr. WEITZ. That you had made a representation that they were expecting—

Mr. NELSON. Yes; and the only reason that it had not been carried out previously was that they had not given us the committees.

Mr. WEITZ. So, therefore, when Dr. Mehren took over and said that he would honor commitments that had been made, was he not, in effect, telling you that he would make contributions sufficient to satisfy what he construed to be the representations of the prior year?

Mr. NELSON. I think he was—well, in a sense, yes, but I think when he was saying those commitments, he was dealing in things in addition to, and not limited to, political matters.

Mr. WEITZ. But including political matters?

Mr. NELSON. But including them, yes.

Mr. WEITZ. Now between the February meeting, that we have described—

Mr. NELSON. And I want to say this, too. Different people put a different construction on given situations. In my own mind, it was a continuing commitment that had not been fulfilled; in other minds, they might have said it was fulfilled, you gave all of the committees, for which they furnished you names, and you had.

I could see how they could argue that way, but that was not the way I felt. You asked me how I felt about it, and I am telling you in all candor.

Mr. WEITZ. On the other hand, you had asked Mr. Jacobsen to contact Mr. Kalmbach in January with the purpose of obtaining committees to make additional contributions?

Mr. NELSON. As I recall, I was the movement on that. I am not positive Mr. Kalmbach—it might have been the other way.

Mr. WEITZ. Were not the two meetings that took place—one in January and one in February 1972—for the purpose and the result of trying to find ways to make additional contributions?

Mr. NELSON. Yes, sir.

Mr. WEITZ. The only new factor, or one of the new factors was Dr. Mehren's replacement of you, and his decisionmaking authority.

Mr. NELSON. That is right.

Mr. WEITZ. That was the new ingredient, but yet he said he wanted to honor existing commitments, both in the political area and elsewhere.

Mr. NELSON. Yes.

Mr. WEITZ. Between the second meeting with Mr. Kalmbach, there was a time when you met him again. Is that not true?

Mr. NELSON. Two weeks later, about 2 weeks later.

Mr. WEITZ. Some time in February or March. Could it have been as late as March 1972?

Mr. NELSON. It could have been.

Mr. WEITZ. Between the second, and shall we call it the third—

Mr. NELSON. Wait a minute. There was a meeting 2 days, 2 to 3 days after I was replaced as general manager. And then there was another meeting approximately 2 weeks after that, as I recall.

Mr. WEITZ. Early February?

Mr. NELSON. That is the one I have just talked about. Then following that, there was another meeting in Washington.

Mr. WEITZ. All right.

Between the second, and what we will call the third meeting—before we get to the third meeting—were there any contacts, to your knowledge, between you or anyone else on behalf of AMPI and Mr. Kalmbach?

Mr. NELSON. I believe that Dr. Mehren talked to him a time or two on the phone. I am not sure about that, but I believe he did.

Mr. WEITZ. Do you know what was discussed, or what the substance of those conversations were?

Mr. NELSON. Well, forming committees and what have you. I do not recall.

Mr. WEITZ. Did Dr. Mehren talk to you about any of those contacts?

Mr. NELSON. I am not sure whether he did or did not. I think he—

Mr. WEITZ. How did you come to know of those contacts.

Mr. NELSON. Either Dr. Mehren told me, or when we got in the meeting in Washington, they were referred to. I believe he probably told me that he had had a phone conversation, or conversations. I just do not remember that.

Mr. WEITZ. To your knowledge, was a decision made between the second and third meeting, or before the meeting in Washington with Mr. Kalmbach as to whether or not Dr. Mehren and TAPE would make additional contributions?

Mr. NELSON. Well, I am under the impression, as I recall, the decision was made that they would.

Mr. WEITZ. Was that Dr. Mehren's decision, or do you know whether he consulted with TAPE committee members about that?

Mr. NELSON. I do not know. I do not recall.

Mr. WEITZ. How did you come to meet with Mr. Kalmbach in Washington? Who arranged that meeting?

Mr. NELSON. I assume Mr. Jacobsen.

Mr. WEITZ. And who was present at the meeting?

Mr. NELSON. Dr. Mehren asked me to accompany him and Mr. Jacobsen to that meeting, and, as I recall, Mr. Kalmbach.

Mr. WEITZ. Before we get to the meeting, I am still trying to ascertain the attendance and the circumstances leading up to the meeting.

Did you fly to Washington with Dr. Mehren?

Mr. NELSON. As I recall.

Mr. WEITZ. Was it solely to meet with Mr. Kalmbach?

Mr. NELSON. I believe so. That was the main reason for being there.

Mr. WEITZ. Do you recall when the meeting took place?

Mr. NELSON. It took place, I believe, around 10 or 11 in the morning. I might be wrong; it might have been noon.

Mr. WEITZ. What about the date? Do you recall approximately when in time it took place?

Mr. NELSON. No, I could not tell you.

Mr. WEITZ. Do you associate it with a meeting—when I say “associated,” I mean in terms of time?

Mr. NELSON. There was another meeting that day, if that is what you mean.

Mr. WEITZ. Was that a meeting with Mr. Connally?

Mr. NELSON. Yes.

Mr. WEITZ. So it was on the same day that you met with Mr. Connally?

Mr. NELSON. Yes.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. WEITZ. Could you tell us what took place at the meeting with Mr. Kalmbach in Washington?

Mr. NELSON. Yes. It was a very brief meeting, and Mr. Kalmbach advised us that at that time they did not wish to give us the names of committees or receive any contributions.

Mr. WEITZ. You have referred to another meeting that day with Mr. Connally. Was this meeting with Mr. Kalmbach before or after that meeting?

Mr. NELSON. Before.

Mr. WEITZ. Before the meeting with Mr. Connally?

Mr. NELSON. [Nods affirmatively.] I will tell you why I am able to place it that way.

Mr. WEITZ. Why are you able to place it that way?

Mr. NELSON. Because Dr. Mehren had a dinner engagement that evening with one of his friends, a personal deal, who is head of a retail grocer's association, or some chain store deal or something. And Jake suggested that we could go by and see Secretary Connally and Dr. Mehren, as the new manager of AMPI, could meet him. And this was, as I recall, around 2 or 3 in the afternoon.

Mr. WEITZ. The meeting for Mr. Connally was set at that time?

Mr. NELSON. That is right, so Dr. Mehren said fine, or there was some alternative there as to times, and Dr. Mehren said, “I can do that and still have dinner with my friend.”

We had the meeting with Mr. Connally and looked at our watches and said, shoot, we could make the 5 o'clock plane at Dulles or whatever it was, and we were on the airplane, and it dawned on Dr. Mehren that he had left Washington, and had a dinner engagement with his friend, and the poor guy was sitting some place waiting for him, and he was on an airplane heading to San Antonio; and it was the source of considerable embarrassment to him. And that is why I have the time locked in my head like that. Just flat flew off and left him.

Mr. WEITZ. I am still not clear; given that time frame, why you are sure the meeting with Mr. Kalmbach did not take place between the meeting with Mr. Connally and the time the three of you left Washington, as opposed to before the meeting with Mr. Connally.

Mr. NELSON. As I recall, we left the Secretary's office and went to—

Mr. WEITZ. You had your bags with you?

Mr. NELSON. I believe we did.

Mr. WEITZ. I see.

Mr. NELSON. I could be wrong about that. I am just telling you as I remember it. As I remember it, the meeting with Kalmbach was first.

Mr. WEITZ. In the morning sometime, midday, and then you met with Mr. Connally?

Mr. NELSON. That is the way I remember it.

Mr. WEITZ. At the meeting—

Mr. NELSON. It might have been reversed, but I do not think so.

Mr. WEITZ. At this brief meeting—well, I think Mr. Connally's logs indicate that you met with him in the afternoon, so it would just be a question of whether the meeting with Kalmbach was earlier or later in the afternoon.

Mr. NELSON. What time does it say?

Mr. WEITZ. 2 o'clock, I think.

Mr. NELSON. There is no way we could have met with Mr. Kalmbach and then gone to Dulles, I don't believe.

Mr. WEITZ. What took place at the meeting with Mr. Kalmbach?

Mr. NELSON. He politely advised us that they did not wish at that time to receive contributions. You talk about a shock.

Mr. WEITZ. On page 32 of your deposition in the *Nader v. Butz* case, you were asked about the same meeting, and your answer is as follows:

"I remember that I was there at that meeting after that California meeting. My recollection is that he said," and I assume you are referring to Mr. Kalmbach—"they were not going to—that presently, they were not going to seek any additional contributions from TAPE, and just let the matter close as far as the meeting in California in the first place."

Is that consistent with your recollection?

Mr. NELSON. Yes.

Mr. WEITZ. I have a couple of questions about your answer.

First of all, what did you mean by "presently they were not going to seek any additional contributions"? Do you attach any significance to the word in the sentence?

Mr. NELSON. That is my word.

Mr. WEITZ. I understand.

Mr. NELSON. I mean as of now they were not going to. He was not giving us any iron-clad—

Mr. WEITZ. For the rest of the campaign?

Mr. NELSON. For the rest of the campaign.

Mr. WEITZ. Was not in fact Mr. Kalmbach saying:

"I am going to phase out, and as far as I am concerned, I am not going to be meeting with you to ask for any more contributions"?

Mr. NELSON. That is a reasonable construction. You could put that on.

Mr. WEITZ. And in fact, did you not understand or did you not believe that there would be further solicitations and possible contributions later in the campaign after April 7?

Mr. NELSON. Did I?

Mr. WEITZ. Yes.

Mr. NELSON. Yes, I believed that.

Mr. WEITZ. And when you referred, in the same answer that I read, to "that just left the matter closed as far as the meeting in California in the first place." Besides the possible errors in syntax, were you not in effect saying that the meeting in California was arranged with Mr. Kalmbach and Dr. Mehren to see whether contributions should be made?

The question arose as to pre-April 7 contributions. With a little bit after April 7, and Mr. Kalmbach at this time, March 16, 1972, was closing off contributions far before April 7?

Mr. NELSON. Yes; but not limited to April 7.

Mr. WEITZ. It could have gone beyond that?

Mr. NELSON. That is right.

Mr. WEITZ. But you felt that there could be or might be contributions later in the campaign?

Mr. NELSON. I felt that undoubtedly there would be. I have never seen a candidate for office yet who did not—

Mr. WEITZ. If Mr. Kalmbach had said unequivocally: "We do not want any money from you people at all any more this year," or "We just do not want any of your money," that would have closed it off, would it not, at least as far as Mr. Kalmbach was concerned?

Mr. NELSON. That is right. Mr. Kalmbach was not that blunt or direct, or gauche, if you want. I am just looking for words here. He was not that way at all.

Mr. WEITZ. Right. But did you understand him to be saying that under no circumstances would the Republican Presidential fundraisers seek more money from them, or was he merely saying. "We do not think it is advisable at this time to accept any more contributions"?

Mr. NELSON. He did not put it either way.

Mr. WEITZ. I am talking about the intent of his words, as you understood them, as opposed to the actual words.

Mr. NELSON. I tell you, you could read either way on it; and at the time it crossed my mind, is he trying to say "We do not want any more to do with you," or is he trying to say "We do not want to go forward with this now"? And I just resolved it in my own mind as they do not want to do it presently.

Mr. WEITZ. So you do attach some significance to the word "presently" in your answer in the deposition?

Mr. NELSON. I want it understood that "presently" is not a quote from him. It is mine.

Mr. WEITZ. I understand. But he did not state his intention in such a way so that you did not understand that there would be the possibility of additional solicitations or contributions at a later time?

Mr. NELSON. No, he did not—

Mr. WEITZ. Close it off?

Mr. NELSON [continuing]. Close it off, but he did as far as then and there and now is concerned; he closed it.

Mr. WEITZ. Insofar as March 16, 1972, on or around that time, was concerned?

Mr. NELSON. [Nods affirmatively.]

Mr. WEITZ. You referred to the meeting with Mr. Connally. Before I get to that, I would like to ask you quickly about two other areas.

Were you aware in 1971 or 1972 of an IRS investigation or audit of the tax returns of Milk Producers, Inc.?

Mr. NELSON. Yes.

Mr. WEITZ. What did you know about that?

Mr. NELSON. Well, Mr. Isham told me about it, that there was a question about a deduction that had been made for taking for payment of—I cannot remember the name of the book written by President Johnson.

Mr. SANDERS. "No Retreat From Tomorrow"?

Mr. NELSON. "No Retreat From Tomorrow."

Mr. WEITZ. And this was an investigation that was pending still in 1972?

Mr. NELSON. I do not recall the date.

Mr. WEITZ. Let me ask you this. Do you remember when it first came to your attention?

Mr. NELSON. No, I do not.

Mr. WEITZ. I have a letter here which I think for the time being, because of possible questions concerning IRS investigation and so forth, that I would rather not enter as an exhibit; but a letter from Bob Lilly to Jake Jacobsen dated August 26, 1971, which you are welcome to look at. But it discusses the problem of the audit, and so forth.

My question is: Does that refresh your recollection as to when you became aware of, or when the audit began?

Mr. NELSON. No, but I will tell you; Mr. Isham, I am sure, told me about it as soon as the matter came to his attention.

Mr. WEITZ. My questions are these, first of all, when it was brought to your attention, what action did you take?

Mr. NELSON. I do not recall that I took any.

Mr. WEITZ. Did you ask anyone on your behalf to do something about it, to represent AMPI or to find out the facts, and so forth?

Mr. NELSON. I think that—I believe I asked Mr. Jacobsen to find out—to get the facts on this thing, because when we made that payment, it was represented to us that it was properly—a properly tax-deductible deal; that the book was going to be put in libraries and circulated among various schools, and so forth; and that it was a tax-deductible publication.

Mr. WEITZ. At this point, I am not going to discuss with you the income tax effects of that, but what I am interested in for the time being is whether you asked Mr. Jacobsen to contact anyone on your behalf.

Mr. NELSON. I asked Mr. Jacobsen to get a hold of—there was some question about the check that we paid the publisher, having been endorsed, as I recall, to the national committee or some political arm. And I asked him to get in touch with the fellow who handled that sort of thing at the White House at that time. I cannot even think of his name.

Mr. WEITZ. Handled what sort of thing? I am not sure I understand you.

Mr. NELSON. Well, he was the chairman of the committee that the publisher's check went to.

Mr. WEITZ. This is in 1971 during the Nixon administration?

Mr. NELSON. Yes, but this check was not written in 1971 during the Nixon administration.

Mr. WEITZ. I understand that; it was written during the previous administration.

Mr. NELSON. That is right.

Mr. WEITZ. So the person at the White House—

Mr. NELSON. I am talking about the person at the White House at the time that check was issued, not to contact someone currently at the White House at the time this was—contemporaneous at the White House—

Mr. WEITZ. Did you subsequently meet with anyone in connection with this audit?

Mr. NELSON. Yes.

Mr. WEITZ. Could you tell us who?

Mr. NELSON. An attorney named—I believe his name is Collie.

Mr. WEITZ. Was that Marvin Collie of the Vinson, Elkins firm?

Mr. NELSON. That is who it is.

Mr. WEITZ. Was he retained by you previous to that time for other matters?

Mr. NELSON. No, he was retained because Mr. Jacobsen recommended him as being a very competent attorney in such tax matters.

Mr. WEITZ. Do you know how soon after the matter rose that you met with Mr. Collie?

Mr. NELSON. No.

Mr. WEITZ. A matter of months or more?

Mr. NELSON. It seems to me that it was a matter of months.

Mr. WEITZ. Several months?

Mr. NELSON. I believe it was. As a matter of fact—I am not sure, but I believe that I met with Mr. Collie; even after I was no longer general manager, I believe that Dr. Mehren asked me to meet with him. I am not sure. I could be wrong about that.

Mr. WEITZ. So it could be either 1971 or 1972?

Mr. NELSON. Right.

Mr. WEITZ. Do you know whether Mr. Jacobsen talked to anyone else about this besides the people who had been at the White House previously and besides Mr. Collie?

Mr. NELSON. No.

Mr. WEITZ. Did he speak to Mr. Connally about this?

Mr. NELSON. Mr. Jacobsen?

Mr. WEITZ. Mr. Jacobsen.

Mr. NELSON. I do not recall whether he did or not. I do not remember.

Mr. WEITZ. How was the matter ultimately resolved?

Mr. NELSON. I cannot tell you that.

Mr. WEITZ. Do you know whether anyone contacted either the district director or someone else in Washington?

Mr. NELSON. Mr. Collie contacted the district director. That is my understanding. He made a report back to us about it, and he contacted the district director, I believe.

Mr. WEITZ. Why was the Vinson, Elkins firm retained for this purpose?

Mr. NELSON. Well, because Collie was a recognized expert in this field. Now, if you are driving—I will help you a little bit. Are you driving at the fact that Mr. Connally had been a member of that firm?

Mr. WEITZ. Is there any significance to that?

Mr. NELSON. I do not think so in this instance, because this man was a—

Mr. WEITZ. Just a pure coincidence?

Mr. NELSON. It would be only natural that Mr. Jacobsen, being close to Mr. Connally, would be close to lawyers that he was close to.

Mr. WEITZ. At that time Mr. Connally was Secretary of the Treasury, was he not?

Mr. NELSON. Yes.

Mr. WEITZ. And the Secretary of the Treasury has responsibility for IRS; overseeing IRS is part of his responsibility.

Mr. NELSON. That's right.

Mr. WEITZ. Would you have considered it improper for anyone to approach him with respect to the IRS matter?

Mr. NELSON. To approach the Secretary of the Treasury?

Mr. WEITZ. Yes.

Mr. NELSON. I have never seen it improper to approach any Cabinet Minister about any problem confronting him as long as there is nothing secretive about it. As a matter of fact, I consider that to be in the best tradition of democracy; and I say God help us if it gets to the point where we cannot petition our Cabinet officers, committee chairmen, and Congressmen. I'm a firm believer in that.

Mr. WEITZ. In that connection, did Mr. Jacobsen discuss the matter with Mr. Connally?

Mr. NELSON. I don't know. I really do not know if he did.

Mr. WEITZ. He had discussed the price support question the previous year with him, and he approached a member of his former firm to represent you. Would it have been——

Mr. NELSON. I do not consider this to be of the magnitude of those others. That's the reason I don't——

Mr. WEITZ. At the same time in 1972, was there also pending an anti-trust suit by the Department of Justice against AMPI?

Mr. NELSON. Yes. That was filed shortly after I left as general manager.

Mr. WEITZ. Other than the fact that it was filed, had you any knowledge of the substance of the complaint or the negotiations then pending with respect to the complaint?

Mr. NELSON. Do you mean after it was filed?

Mr. WEITZ. Either before or after it was filed.

Mr. NELSON. It was not. You see, I was given no notice that the suit was going to be filed.

Mr. WEITZ. Were you aware whether it was a serious attack on AMPI?

Mr. NELSON. Well, once it was filed——

Mr. WEITZ. Yes, once it was filed.

Mr. NELSON [continuing]. Once it was filed, I certainly was. Dr. Mehren called me in. I went over there, and he told me about what he considered to be a very summary and preemptory manner in which it had been handled; that they had been given 24 hours in which to accept or reject a decree that—a proposed decree that was very far-reaching in its scope and impact, instead of the usual—what is it?—30 to 60 days that is ordinarily given. And he was quite exercised about the whole thing at the time it happened.

Mr. WEITZ. Did he tell you or were you aware of any contacts being made on behalf of AMPI with anyone in the Department of Justice in connection with trying to mitigate or negotiate out the complaint?

Mr. NELSON. I understood that Mr. Heininger, a Chicago lawyer, was doing that.

Mr. WEITZ. What about Mr. Harrison? Was he involved in any way?

Mr. NELSON. I do not recall that he was. He may have been. As I recall, it was Mr. Heininger.

Mr. WEITZ. What about Mr. Russell, Mr. Stuart Russell? Was he involved in any way with respect to representing AMPI in the anti-trust suit at that time?

Mr. NELSON. I cannot be sure. He probably was insofar as—I do not recall, but I assume that he would have been. And let me say why. I assume that Mr. Russell is a lawyer with expertise concerning milk matters, and Mr. Heininger is an antitrust lawyer, but he had not had much experience with milk marketing matters and dairy cooperatives. So in order to appreciate the impact of the various provisions of this proposed decree, I am sure—and I recall vaguely that he was consulting Mr. Russell, but I believe the contacts with the Department of Justice were by Mr. Heininger. I may be wrong.

Mr. WEITZ. How about ex-officials with the Department of Justice such as John Mitchell—this is February 1972—for example?

Mr. NELSON. I do not know.

Mr. WEITZ. Was Mr. Chotiner acting on behalf of AMPI or in any way representing them in connection with the antitrust suit or any contacts with then present or past Government officials?

Mr. NELSON. You see, I would not know about those things after I left.

Mr. WEITZ. How about Jake Jacobsen? Did you know whether he was in any way involved in the antitrust suit?

Mr. NELSON. I would not know.

Mr. WEITZ. In the meetings that you had with Mr. Kalmbach that we have talked about, was there any reference, direct or indirect, to the antitrust suit or the IRS investigation?

Mr. NELSON. I do not recall any.

Mr. WEITZ. Was there any discussion outside of those meetings between any of the AMPI, including yourself, such as Mr. Jacobsen or Dr. Mehren, concerning the antitrust suit or the IRS investigation and their possible relationship to political contributions?

Mr. NELSON. My recollection is, and I have been reading about this lately, is mainly what I know about this part of it—that was not initially a reaction, that that was something that arose later, the suggestion about this was a vendetta.

Mr. WEITZ. How about the opposite? How about an attempt to placate the administration and get the antitrust suit toned down as a result of more contributions? Was that ever discussed?

Mr. NELSON. Not with me it was not.

Mr. WEITZ. Have you ever heard that suggestion, other than what you have read in the paper, or other than my questions?

Mr. NELSON. I have not even read in the papers about the attempt to placate them by giving them additional contributions.

Mr. WEITZ. Before the antitrust suits were being filed—and this would have been while you were still head of AMPI—let's say the end of 1971 up until January 12, 1972, were you aware of any contacts or any conversations which took place between anyone representing AMPI and any Republican fundraisers or anyone in the administra-

tion, such as Mr. Colson, concerning the antitrust suit or a possible antitrust suit or grand jury investigation of AMPI?

Mr. NELSON. The only thing I recall was that there had been an investigation of DI, I believe—

Mr. WEITZ. Dairyman's Inc.?

Mr. NELSON. Yes. There had been someone—I do not know who it was. I assume it was someone from the Department of Justice—had made some sort of investigation or inquiries with them; and that is the only thing I remember.

Mr. WEITZ. Nothing with respect to AMPI?

Mr. NELSON. Nobody had contacted me at all.

Mr. WEITZ. And conversely, of course, no one at AMPI or on behalf of AMPI had contacted anyone in the administration about an antitrust problem?

Mr. NELSON. No; not that I recall.

Mr. WEITZ. And therefore, no one had discussed any possible relationship between an antitrust investigation on the one hand, and additional contributions on the other?

Mr. NELSON. Not that I recall.

Mr. WEITZ. After the antitrust suit was filed were there any such conversations?

Mr. NELSON. No; not that I recall.

Mr. WEITZ. In the meeting with Mr. Connally—could you tell us how that came about?

Mr. NELSON. That came about, as I said just 30 minutes ago, Mr. Jacobsen suggested that if we wished we could go by and Dr. Mehren could meet Secretary Connally as the new manager of AMPI.

Mr. WEITZ. Before you left Texas to come to Washington did you know you would be meeting with Mr. Connally?

Mr. NELSON. I do not recall. The possibility may have been raised, but I do not think that we had any firm appointment because we were not sure how long it would take.

Mr. WEITZ. But there was an idea that you would try to meet with Secretary Connally if he was free?

Mr. NELSON. I think that had been discussed, maybe with just Mr. Jacobsen and me, and maybe it had not. That just may be in my mind, but—

Mr. WEITZ. Why did you come to Washington with Dr. Mehren?

Mr. NELSON. Well—

Mr. WEITZ. First of all, did you come with Dr. Mehren?

Mr. NELSON. My recollection is that I came with Dr. Mehren.

Mr. WEITZ. And second, why?

Mr. NELSON. Second, I don't really know. He asked me to come.

Mr. WEITZ. Did it have anything to do either with the possible meeting with Secretary Connally or the possible meeting with Mr. Kalmbach?

Mr. NELSON. It had to do with the possible meeting with Mr. Kalmbach.

Mr. WEITZ. It did?

Mr. NELSON. I assume. I am sure that that is the reason. And at that point there was some question as to what sort of circumstances were existing in view of the change in top management; and I feel that there was some desire to make an open show of unity.

Mr. WEITZ. Did you accompany him on some other meetings when you were in Washington at that time?

Mr. NELSON. I had accompanied him on some. I don't know that we met with anybody else that day; but I had accompanied him on another occasion.

Mr. WEITZ. Who arranged the meeting with Mr. Connally on the 16th?

Mr. NELSON. Mr. Jacobsen.

Mr. WEITZ. And what was the purpose of the meeting?

Mr. NELSON. So that Dr. Mehren could be introduced—to meet Secretary Connally.

Mr. WEITZ. Did it have anything to do with an effort or an interest in trying to present certain problems to the Secretary?

Mr. NELSON. As I recall—and I have heard reports to the contrary, too—as I recall, there were no problems presented to the Secretary. It was a relatively short meeting, and he met him, and that was it.

Mr. WEITZ. What matters were discussed? You first introduced him, I assume, as Dr. Mehren who was the new general manager of AMPI and so forth. Was there any substantive discussion of any sort?

Mr. NELSON. I don't recall any substantive discussions.

Mr. WEITZ. There was no mention of price supports?

Mr. NELSON. Not that I recall.

Mr. WEITZ. Or import quotas?

Mr. NELSON. Not that I recall.

Mr. WEITZ. Or the antitrust suit?

Mr. NELSON. No, not that I recall. I recall no substantive discussions.

Mr. WEITZ. And if the three other gentlemen at the meeting recall, you would not dispute them?

Mr. NELSON. No; I would not dispute them. It's just a matter that I do not recall. To me it was a polite courtesy call sort of thing.

Mr. WEITZ. Was this the first time, to your knowledge, that Dr. Mehren had met Mr. Connally?

Mr. NELSON. I think so.

Mr. WEITZ. And this was the fourth time that you had met Mr. Connally over a period of approximately 10 years?

Mr. NELSON. Longer than 10 years.

Mr. WEITZ. In your whole life?

Mr. NELSON. Yes. Of course, you understand, I knew his brother.

Mr. WEITZ. You had met him. You had not talked with him, I think you said, for about 5 or 6 or 7 years before the 1972 meeting, is that correct?

Mr. NELSON. Something like that.

Mr. WEITZ. And Mr. Jacobsen, therefore, had to introduce you to him again?

Mr. NELSON. Oh, no. He's too much of a—well, I don't want to put it that way. He is too accomplished. He would never put Mr. Jacobsen—he knew who was coming in there to see him; his secretary told him; and I was not in the posture of having to be reintroduced. If he met you once and knew that he met you once—

Mr. WEITZ. Did he actually indicate that he remembered you or did he try not to?

Mr. NELSON. Oh, he indicated that he remembered me.

Mr. WEITZ. So once he has met an individual, to your impression he never forgets them if it's any significance at all to him?

Mr. NELSON. Let's go off the record for a minute.

Mr. WEITZ. Off the record a minute.

[Discussion off the record.]

Mr. WEITZ. Were the three of you with Dr. Mehren for the entire meeting?

Mr. NELSON. I am not sure. I think I waited a while for Jake at the end of the meeting. It might have been at the beginning, but Jake stayed back and had a discussion, a short discussion, with him. I may be wrong about that.

Mr. WEITZ. How long did the meeting that you attended last?

How long were you present with Mr. Connally?

Mr. NELSON. That is hard to say. I would say 10 minutes, 15.

Mr. WEITZ. And how long did the discussion between only Mr. Jacobsen and Mr. Connally take place?

Mr. NELSON. As I say, as I recall—and I am not sure about this—I believe he stayed back in there though as we left maybe 5 minutes.

Mr. WEITZ. Do you know what he discussed with Mr. Connally?

Mr. NELSON. No.

Mr. WEITZ. How did it take you 10 or 15 minutes just to introduce Dr. Mehren?

Mr. NELSON. It didn't take 10 or 15 minutes to introduce Dr. Mehren.

Mr. WEITZ. What else was discussed?

Mr. NELSON. I am just talking about—

Mr. WEITZ. Pleasantries?

Mr. NELSON. That's right.

Mr. WEITZ. And there was no reference to the antitrust suit or problems the dairy people were having or anything?

Mr. NELSON. Not that I recall.

Mr. WEITZ. Was there any reference to political contributions?

Mr. NELSON. No.

Mr. WEITZ. Have you ever discussed political contributions with Mr. Connally?

Mr. NELSON. I may have when he was running for Governor, but then I don't think I did at that point other than he said, you know, see what you can do to help me. The president of the North Texas Producers Association was actively interested in getting him elected.

Mr. WEITZ. Did Mr. Jacobsen give any explanation as to why he stayed behind or what he talked about with the Secretary?

Mr. NELSON. No. You know, he would not be called upon to do that.

Mr. WEITZ. You do not meet Mr. Connally very often; in fact, you had specifically asked Mr. Jacobsen here before to talk to Secretary Connally on a very important matter. There was then pending a very serious antitrust suit against AMPI. And I am just asking you whether, given that opportunity or the opportunity to discuss with the Secretary, as you quite properly point out a proper discussion of an IRS investigation of AMPI, whether you took that opportunity to discuss any of those pending matters?

Mr. NELSON. No. You see, I was not in the position—

Mr. WEITZ. Did Dr. Mehren do so?

Mr. NELSON. No. I do not think so.

Mr. WEITZ. He made no reference to it?

Mr. NELSON. I don't think he did. Not as I recall. I just do not think that—the meeting was not set up to do that.

Mr. WEITZ. When you were in Washington around the 16th of March 1972, did you meet with anyone else that you can recall with Dr. Mehren and Mr. Jacobsen?

Mr. NELSON. Do you mean at this meeting with the Secretary?

Mr. WEITZ. No, other than the meeting with the Secretary and other than the meeting with Mr. Kalmbach, did you meet with anyone else?

Mr. NELSON. Those are the only two I recall.

Mr. WEITZ. Did you meet with Mr. Mitchell?

Mr. NELSON. No. I have never met with Mr. Mitchell at any time.

Mr. WEITZ. Were you aware whether Dr. Mehren or Mr. Jacobsen talked with or met Mr. Mitchell?

Mr. NELSON. Not that I am aware of.

Mr. WEITZ. Are you aware or do you know whether Mr. Connally contacted Mr. Mitchell on your behalf or with relation to dairy matters on or around the 16th of March?

Mr. NELSON. I do not know.

Mr. WEITZ. Did you meet with any Republican National Committee or Democratic National Committee representatives in Washington during that time—Robert Strauss, for example, or Senator Dole?

Mr. NELSON. We did not meet with Senator Dole. One time—I do not believe it was the same date though—we did meet Robert Strauss, as I recall, Dr. Mehren and Jake and I. I could be wrong about that.

Mr. WEITZ. I am not saying that particular day, but during that trip to Washington.

Mr. NELSON. You see, I do not remember whether it was a 1-day or 2-day trip; but I do seem to recall that we did meet with Robert Strauss for just a few minutes.

Mr. WEITZ. What was the purpose of that meeting?

Mr. NELSON. For Dr. Mehren to meet Robert Strauss.

Mr. WEITZ. Were there any specific contributions or solicitations discussed at that meeting?

Mr. NELSON. As I recall, Strauss—you know, Strauss is a very forceful and aggressive guy. As I recall, he threw out something about some program that they were developing that might be a good idea for AMPI to consider. And I do not even recall what it was.

Mr. WEITZ. Did it relate to funding of Democratic and Republican Convention booklets?

Mr. NELSON. That's what it was.

Mr. WEITZ. Was the suggestion made that AMPI or TAPE should contribute \$100,000 to each party's convention?

Mr. NELSON. I cannot recall the amount, but there was some suggestion.

Mr. WEITZ. There would be equal amounts to both parties?

Mr. NELSON. Something like that.

Mr. WEITZ. And it related to convention booklets?

Mr. NELSON. The convention booklet part is the part I remember. I do not remember the amounts.

Mr. WEITZ. Did this meeting take place close to the time of the 16th, if not on that day?

Mr. NELSON. I think that is the only time I came back up here with Dr. Mehren, so it is likely that it was then. Yes.

Mr. WEITZ. What was Dr. Mehren's response or how was that suggestion—what was his response?

Mr. NELSON. It was made by Strauss, and as I recall, the response by Mehren was more or less bantering. They were bantering back and forth about it.

Mr. WEITZ. He neither said yes or no to that request?

Mr. NELSON. That is right.

Mr. WEITZ. Do you know whether ultimately—did he go back and recommend that to the TAPE Committee?

Mr. NELSON. I do not know.

Mr. WEITZ. You know nothing else about that other than that meeting?

Mr. NELSON. [Nods negatively.]

Mr. WEITZ. When you were in Washington at that time; did you also meet with Secretary of Agriculture Butz?

Mr. NELSON. Dr. Mehren and I met with him. And that is what I say. I do not remember whether it was a part of that trip or another trip that Dr. Mehren and I did meet with Secretary Butz.

Mr. WEITZ. You discussed, presumably, dairy problems at that meeting?

Mr. NELSON. It was a very short meeting, and I'm not sure that we actually discussed any specific problem. It was more like a deal of, you know, there has been a change here, and we are still together. You know, it was just a very—I viewed it kind of like I did the Connally meeting. It was a courtesy call sort of thing.

We may have discussed something of substance, but if we did, I sure don't remember it.

Mr. WEITZ. Your recollection is you can only recall one instance when you came to Washington with Dr. Mehren to go around to meet various officials and so forth?

Mr. NELSON. Yes. There may have been another. I'm not saying that I did not come with him.

Mr. WEITZ. But you can recall only one?

Mr. NELSON. Yes, subsequent to the change in management.

Mr. WEITZ. And that would include the time when you met with both Mr. Connally and Mr. Kalmbach separately on March 16, 1972?

Mr. NELSON. That's right. And it might have been a 2-day trip. I do not remember.

Mr. WEITZ. And if the Madison Hotel records indicate that you were here for 2 days, it probably was a 2-day trip, and you probably did spend those days meeting with the officials you have mentioned?

Mr. NELSON. Right.

Mr. WEITZ. OK. I would like to ask you did there come a time within several weeks or within the next month following this March 16 series of meetings in 1972 when there was a suggestion made that you were aware of, that TAPE contributed to a number of committees, Republican National Committees or Presidential committees, just prior to April 7?

Mr. NELSON. I have heard about that. I had no knowledge, you know.

Mr. WEITZ. What have you heard about that?

Mr. NELSON. I have heard that the suggestion was made, the decision was made to do it, and then something happened and they didn't do it.

Mr. WEITZ. Do you know who made the suggestion?

Mr. NELSON. No. It seems to me—I don't know who.

Mr. WEITZ. Was your understanding that these contributions would be made to committees for the President's reelection?

Mr. NELSON. I do not know that much about it.

Mr. WEITZ. Would they be contributions to Republicans as opposed to Democrats?

Mr. NELSON. It was my understanding that they were contributions to Republicans.

Mr. WEITZ. Would they have anything to do with—would they be similar to committees or possible committees that you had been seeking from Mr. Kalmbach, for example, in the past 2 years? I mean, would they come from the same sources?

Mr. NELSON. This is really conjecture on my part. I am telling you I really do not know about this.

Mr. WEITZ. I am trying to probe as to your knowledge, not really your conjecture.

Mr. NELSON. I do not have any knowledge.

Mr. WEITZ. How did you come to whatever knowledge you had of that incident?

Mr. NELSON. Well, I was told that a question had been raised about it and that Lynn Elrod had signed the checks and didn't remember signing them.

Mr. WEITZ. Who told you that?

Mr. NELSON. I believe Bob Lilly told me that.

Mr. WEITZ. Have you talked to Bob Lilly about this in the last several months?

Mr. NELSON. Yes.

Mr. WEITZ. Did he tell you anything else about that incident or ask you anything in connection with that?

Mr. NELSON. No, he was not asking me. He just told me about it.

Mr. WEITZ. Did you ask him?

Mr. NELSON. No, because I didn't know anything about it.

Mr. WEITZ. How did you come to talk about it at all?

Mr. NELSON. I cannot tell you. It just came up in the discussion.

Mr. WEITZ. Did he indicate that you were somehow involved in it?

Mr. NELSON. No.

Mr. WEITZ. Were you involved in that transaction?

Mr. NELSON. I recall nothing about that transaction.

Mr. WEITZ. Do you know how much money was involved?

Mr. NELSON. It seems to me there were 39 checks.

Mr. WEITZ. Do you know how much each check was for?

Mr. NELSON. I just assumed \$2,500.

Mr. WEITZ. So that would be about \$100,000.

Mr. NELSON. Right, if the \$2,500 amount is correct.

Mr. WEITZ. Do you remember discussing the possibility of additional contributions just prior to April 7 with Dr. Mehren?

Mr. NELSON. No; I do not. I am not saying that I did not, I just am saying I do not recall it.

Mr. WEITZ. Did you not meet with Dr. Mehren just prior to April 7 in San Antonio to discuss an additional \$150,000 in contributions or thereabouts to committees provided by—well, on behalf of the President's reelection or the Republican National Committee?

Mr. NELSON. I do not remember it.

Mr. WEITZ. If you did so you would presumably remember it?

Mr. NELSON. Yes; but I could have done it and not remember it too.

Mr. WEITZ. Even amounts of \$100,000 or more of political contributions?

Mr. NELSON. Yes.

Mr. WEITZ. You have recounted a number of matters to us with a fair degree of specificity.

Mr. NELSON. Yes.

Mr. WEITZ. You recounted your meetings with Mr. Connally over a period of more than 10 years with a degree of specificity, and your meetings with Mr. Kalmbach and Mr. Colson and so forth.

Can you explain to us how you are not sure one way or another whether you participated in or had contemporaneous knowledge of an intended transaction of \$100,000 or more just prior to April 7, 1972?

Mr. NELSON. I do not really believe that I did, see.

Mr. WEITZ. Your best recollection is that you did not?

Mr. NELSON. That is right.

Mr. WEITZ. But you are not saying that you did not?

You are just saying you do not recall?

Mr. NELSON. That's right.

Mr. WEITZ. I take that to mean you may have, but you do not recall?

Mr. NELSON. It is possible they did call me over there on—you see, I was just available when they called me, and they called me over there on a few occasions. But I do not recall being called over there about any contributions.

Mr. WEITZ. Do you recall discussing the possibility with Mr. Jacobsen just prior to April 7?

When I say just prior, a week or 2 weeks prior.

Mr. NELSON. The discussions we had with Kalmbach, you know—

Mr. WEITZ. In Los Angeles?

Mr. NELSON. In Los Angeles and in Washington, where he advised us that he did not want any more.

Mr. WEITZ. But he did not mention April 7 at that point?

Mr. NELSON. No; it was not limited to April 7 at that point, and I do not recall any discussion with Dr. Mehren subsequent to that—

Mr. WEITZ. Meeting in Washington?

Mr. NELSON. Meeting in Washington concerning political contributions.

Mr. WEITZ. Not with Mr. Jacobsen?

Mr. NELSON. [Nods in the negative.]

Mr. WEITZ. Nor with Mr. Kalmbach?

Mr. NELSON. No.

Mr. WEITZ. Nor with Secretary Connally?

Mr. NELSON. No. I just do not believe—

Mr. WEITZ. How frequently did you talk to Mr. Jacobsen in those days—let's say April of 1972?

Mr. NELSON. Oh, that is very difficult for me to say, you know.

Mr. WEITZ. Weekly, monthly? He wasn't representing you in any legal matters?

Mr. NELSON. Well, his partner was.

Mr. WEITZ. Joe Long?

Mr. NELSON. Joe Long was representing me in legal matters in connection with exporting cattle to Peru. So I do not know how often. That is the reason I say it is difficult for me to tell you how often.

Mr. WEITZ. Do you have any records of those meetings? Were they meetings or conversations?

Mr. NELSON. I never kept records of any meetings and conversations.

Mr. WEITZ. Now, in the record of telephone calls that we described at the outset of this executive session, I would like to make this one page [indicating] part of the record as exhibit 16.

[Whereupon, the document referred to was marked Nelson exhibit No. 16 for identification.*]

Mr. WEITZ. These would be your telephone charge records for that period which we described at the outset?

Mr. NELSON. Right. Yes, yes.

Mr. WEITZ. It appears on the appropriate page showing charges for April 4, 1972, and on that date there are only three charges. They are all to Austin. They do not indicate where they are from. They are presumably from San Antonio, charged to your home number or even from your home number.

Mr. NELSON. That's right.

Mr. WEITZ. Is 344-8557 your home number? Was it at that time, April 1972?

Mr. NELSON. Right.

Mr. WEITZ. So, on that day, you made three long-distance calls, all to Austin. Two of the phone calls were to 472-1131.

Mr. NELSON. That is Mr. Long and Jacobsen's number.

Mr. WEITZ. One to 471-1131.

Mr. NELSON. I think that is an error.

Mr. WEITZ. So there are probably two intended or completed phone calls that you attempted to make, both to the phone number of the Jacobsen and Long law firm?

Mr. NELSON. Yes.

Mr. WEITZ. Does that refresh your recollection as to any particular conversation you had on or around April the 4th with Mr. Jacobsen?

Mr. NELSON. No. Let me explain to you. There are a lot of phone calls, and there will continue to be. Most of those pertain to those cattle transactions, because they were all financed through letters of credit at the Bank of America in Houston, and then through the Citizens Bank in Austin, and Mr. Long was familiar with those.

Mr. WEITZ. Let me ask you this. You have said that you do not think you did, but you are not certain, so, therefore, you cannot recall whether you had anything to do with the possible transaction involving an intended but uncompleted contribution just prior to April 7.

Is that correct?

Mr. NELSON. That is correct.

Mr. WEITZ. Now, if others remember your participation, would you dispute their recollection?

Mr. NELSON. Well, it would all depend on who the others are.

Mr. WEITZ. If Mr. Lilly recalled your participation?

Mr. NELSON. I would be glad to accept his recollection.

*See p. 6754.

Mr. WEITZ. And if he recalled that you called Mr. Jacobsen in connection with that transaction on April 4 several times, would you dispute that?

Mr. NELSON. No, no.

Mr. WEITZ. So therefore, these two completed calls on April 4, 1972, from your number to Austin might very well refer to the transaction that we are talking about?

Mr. NELSON. Sure.

If you can describe the transaction further to me I might recall it. But I surely do not recall it now.

Mr. WEITZ. But he did not and you did not ask him in this conversation you had with him in the last several months about that?

Mr. NELSON. About my participation?

Mr. WEITZ. That's right. Nothing more than you related to us?

Mr. NELSON. That is right.

Oh, I don't know. He may have even said to me something about—

Mr. WEITZ. Now we are just talking about the last several months, right?

So presumably you would recall if he told you anything further, so he didn't do that; is that correct?

Mr. NELSON. Not that I recall.

Mr. GALLMAN. I again want to state that for some period of time now, Mr. Nelson has not been able to converse with Mr. Lilly because of the prosecutor's instructions, or extractions of promises from Mr. Lilly.

Mr. WEITZ. OK.

Mr. Nelson, are you aware of any further solicitations from April 4, 1972, until the time of the election by any Republican fundraisers, including Mr. Kalmbach or others of TAPE or the committee for TAPE?

Mr. NELSON. No; because I was not in a position where they would call me.

Mr. WEITZ. Do you know Lee Nunn?

Mr. NELSON. No; I was not in a position to know him. But I was told by Dr. Mehren that he had contacted him.

Mr. WEITZ. Did he say when?

Mr. NELSON. I do not recall.

Mr. WEITZ. Sometime before the election?

Mr. NELSON. Yes.

Mr. WEITZ. And sometime after your meetings with Mr. Kalmbach?

Mr. NELSON. As I recall, yes.

Mr. WEITZ. Who contacted whom with respect to Lee Nunn and Dr. Mehren?

Mr. NELSON. It was my understanding that Lee Nunn contacted Dr. Mehren.

Mr. WEITZ. To solicit contributions for the President; is that correct?

Mr. NELSON. For the President's campaign.

Mr. WEITZ. For the Presidential campaign of 1972?

Mr. NELSON. Yes, sir.

Mr. WEITZ. And Lee Nunn was a Republican fundraiser?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Do you know where the meeting took place if there was a meeting?

Mr. NELSON. I believe Dr. Mehren said he came to San Antonio.

Mr. WEITZ. Do you know what took place at that meeting?

Mr. NELSON. I understood that Dr. Mehren agreed to make some contributions. I do not remember whether he agreed or disagreed.

Mr. WEITZ. Did Dr. Mehren talk to you before and after the meeting, or just after the meeting?

Mr. NELSON. It was after the meeting, and I do not recall how long it was after the meeting. He told me that Lee Nunn had been to San Antonio, as I recall.

Mr. WEITZ. Do you recall whether he——

Mr. NELSON. I do not recall the details.

Mr. WEITZ. Did Dr. Mehren agree to make contributions?

Mr. NELSON. That is what I say. I do not recall whether he did or did not.

Mr. WEITZ. Do you have any knowledge as to any contributions to the Presidential campaign of 1972?

Let's take the Republicans first because we've been talking about that. In connection with solicitations first by Mr. Kalmbach and perhaps later Mr. Nunn.

Do you have any knowledge of any contributions in 1972, to the Republican Presidential candidate by TAPE or the Committee for TAPE?

Mr. NELSON. No.

Mr. WEITZ. Do you know whether they made any such contributions?

Mr. NELSON. I am under the understanding that they did make some. I cannot tell you the amount, nor when they were made.

Mr. WEITZ. For President Nixon's reelection?

Mr. NELSON. Yes.

Mr. WEITZ. In 1972?

Mr. NELSON. In 1972.

Mr. WEITZ. How did you gain such knowledge?

Mr. NELSON. It is hard to say. I might have read it in the paper, or some person over there told me. I cannot tell you.

But I was under the impression that they did make some contributions.

Mr. WEITZ. What about the other two dairy trusts, SPACE and ADEPT?

Mr. NELSON. I am not sure.

Mr. WEITZ. Are you familiar, or are you aware of any contacts after April of 1972, between Mr. Kalmbach and either Dr. Mehren or anyone else on behalf of the three dairy trusts?

Mr. NELSON. No.

Mr. WEITZ. Do you know whether Mr. Kalmbach met with Mr. Jacobsen at any time thereafter?

Mr. NELSON. I do not know.

Mr. WEITZ. Did he meet with you?

Mr. NELSON. No, sir.

Mr. WEITZ. Did he meet with Gary Hanman?

Mr. NELSON. I would not know.

Mr. WEITZ. What about Ben Morgan of Dairymen?

Mr. NELSON. I have not talked to either one of them about that.

Mr. WEITZ. What about Mr. Connally? Did you have any further conversation in 1972 with him after the meeting on March 16?

Mr. NELSON. No, sir.

Mr. WEITZ. What about Dr. Mehren?

Mr. NELSON. I do not know. He did not—Dr. Mehren did not report to me that he had.

Mr. WEITZ. What about Mr. Jacobsen?

Mr. NELSON. Well, Mr. Jacobsen worked with the Democrats for Nixon, so I assume that he intended to have frequent conversations.

Mr. WEITZ. What about people from the other two cooperatives, either Mr. Hanman or Mr. Morgan with Mr. Connally?

Mr. NELSON. I do not know.

Mr. WEITZ. In that connection I just want to go back and ask a couple of questions I neglected to before. We were talking, if you recall, about the meetings on March 24, 1971, in connection with the milk price-support decision of that year. And you said you met with Mr. Alagia in the Louisville airport early in the morning of the 24th.

Do you recall whether you told him at that time of your meeting on the following evening with Mr. Kalmbach and Mr. Chotiner?

Mr. NELSON. No; I do not. You see, I do not recall if I knew at that time that I as going to meet—

Mr. WEITZ. If you had known at that time, at the time you met with Mr. Alagia, if you had known of your meeting with Mr. Kalmbach and Mr. Chotiner, given your practice with individuals and so forth, is it likely you would have told Mr. Alagia of the specifics of that meeting?

Mr. NELSON. I probably would have told Mr. Alagia if I had known of it at that time.

Mr. WEITZ. In connection with the contributions that were made in 1971 by TAPE to the multiple committees provided by Mr. Harrison, are you aware whether those committees received any further contributions from any other sources other than the three dairy trusts?

Mr. NELSON. No, sir. I am not.

Mr. WEITZ. Did you ever discuss the matter with anyone as to whether those committees would or would not receive contributions from other sources, from any other contributors.

Mr. NELSON. I do not remember any discussion about that.

Mr. WEITZ. If the records of those committees indicate that they received no other contributions except the \$2,500 apiece that each committee received from one of the three dairy trusts or their political arms, do you have any explanation for that—any significance or any reason why they would have received contributions just from the dairy trusts?

Mr. NELSON. No; other than that they were created for that purpose only.

Mr. WEITZ. That is my question. Why were they created for that purpose only?

Mr. NELSON. I do not know.

Mr. WEITZ. Let me ask you this. You have personal knowledge and experience of the difficulty, the apparent difficulty or at least delay in time between your requests that the committees be furnished to you and the furnishing of such committees, and in fact even afterwards, the difficulty in providing committees that complied in every respect with the then-existing requirements. At least there was some great difficulty in providing 100 committees to you.

Now, given that difficulty and given the fact that each of those committees could receive up to \$5,000 from any one contributor in any one

year, and therefore could be used to receive contributions from an unlimited number of contributors, do you have any explanation as to why they were not used for other contributors?

Mr. NELSON. No; the only thing that comes to my mind just as you ask me the question is, perhaps there was a paucity of political trusts to make contributions.

Mr. WEITZ. Are you saying there was a paucity of contributors or political trusts?

Mr. NELSON. I am saying political trusts.

Mr. WEITZ. But if you or I, aside from TAPE, wanted to make a contribution of, say \$10,000, the then-existing tax and other requirements limited it to \$5,000 for political purposes and \$3,000 in terms of gift tax purposes, it would then require at least two and perhaps as many as three or four committees, is that correct?

Mr. NELSON. That is right.

Mr. WEITZ. So that any contributor contributing over \$3,000 or \$5,000 would require, if he wanted to minimize his tax exposure and so forth, more than one committee, and someone who was contributing \$100,000 might require as many as 30 or 40 committees?

Mr. NELSON. That is right.

Mr. WEITZ. Given that fact, and given the fact that there were large contributors to the Republican campaign in 1972, as well as the Democratic campaign, do you have any understanding or reason as to why those committees were used only to receive dairy money?

Mr. NELSON. No.

Mr. WEITZ. Now, the trusts that you indicated early yesterday reported to the Clerk of the House—is that correct—before April 7, 1973?

Mr. NELSON. That is right.

Mr. WEITZ. And that was on the advice of counsel?

Mr. NELSON. Yes, sir.

Mr. WEITZ. Are you familiar with whether individuals, if they make contributions, have to report their contributions to the Clerk of the House?

Mr. NELSON. No; I am not.

Mr. WEITZ. Have you ever made a personal contribution prior to April 7, 1972?

Mr. NELSON. The only personal contribution that I recall—

Mr. WEITZ. Federal contribution.

Mr. NELSON. Well, Federal or otherwise—is like to the President's club.

Mr. WEITZ. Did you report that?

Mr. NELSON. No; I did not.

Mr. WEITZ. Did you have any understanding that you were required to report that?

Mr. NELSON. No.

Mr. WEITZ. And assuming that that assumption is correct, and assuming that individuals were not required prior to April 7, 1972, to report their individual contributions, does that indicate to you, or do you have, based upon that, any opinion or understanding as to why committees that were receiving money from the dairy trusts that were reporting were used only for that purpose, and not used to receive moneys from individual contributors or any other contributor?

Mr. NELSON. You can carry it a logical step further and say that it was not necessary for individual contributors to use committees. I do not know.

Mr. WEITZ. The short of it is, though, that you had never discussed, or you recall no discussions or any communications concerning the need or existence of separate committees only to receive dairy money for some specific purpose?

Mr. NELSON. No; I did not understand that they would receive dairy funds only. It does not surprise me, but that was never—

Mr. WEITZ. All right.

Let's go off the record for 1 minute.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Mr. SUMMERS. Mr. Nelson, with respect to the civil antitrust suit against AMPI, did you ever have any discussions yourself with Mr. Kleindienst?

Mr. NELSON. No, sir.

Mr. SUMMERS. Mr. McLaren?

Mr. NELSON. No, sir.

Mr. SUMMERS. Did you at one point discuss the antitrust suit with Mr. Connally?

Mr. NELSON. No, sir.

Mr. SUMMERS. During your meeting with Mr. Connally, I believe it was March 16, 1972—did you at that meeting discuss the antitrust suit?

Mr. NELSON. We have been over that.

Mr. WEITZ. To follow up on those questions, did anyone on your behalf or that you know of, or on behalf of AMPI, discuss the antitrust suit with either Mr. Kleindienst or Mr. McLaren?

Mr. NELSON. I have read someplace where I believe it was Mr. Harrison who said that Mr. Chotiner had run into Mr. Mitchell at some party, and it seems to me that there was some report about that and that there had been discussion. That is the only thing I know about that.

I do not know Mr. McLaren. I have never met him. I am not sure that I know Mr. Kleindienst. I think that Mr. Kleindienst did at one point, years ago, represent a dairymen's co-op at Tempe, Ariz., and that I did meet him at that time when I went out there to help them in a Federal milk order meeting. But I am not even sure that it was Kleindienst that I met. So I have never talked to them.

Mr. SUMMERS. Other than the discussion of that meeting with Mr. Mitchell that was in the newspaper, did you have any independent knowledge of that?

Mr. NELSON. No, sir. I have not.

Mr. WEITZ. Have you since that time received any knowledge?

Mr. NELSON. I talked to Marion Harrison about it.

Mr. WEITZ. Did he confirm the meeting?

Mr. NELSON. He was more or less exercised that the reporter had not gone ahead and used the whole information and the context in which he had sent the letter. He felt, and he said that he had called the fellow and had a discussion with him about it.

Mr. WEITZ. Did he tell you anything else about any contacts being

made at that time between representatives of AMPI and then, present or past officials in the administration?

Mr. NELSON. I do not recall that he did.

Mr. WEITZ. How about Mr. Chotiner? Did you ever discuss it with him?

Mr. NELSON. No.

Mr. WEITZ. I asked you, and you did not know of any involvement by Mr. Jacobsen.

Did you ever discuss with Mr. Jacobsen the possibility that additional contributions in 1972 might have a beneficial effect with respect to the antitrust suit?

Mr. NELSON. No, the antitrust suit was filed after I left.

Mr. WEITZ. But you were still attending meetings with Mr. Kalmbach after you were replaced?

Mr. NELSON. Yes, just three times.

Mr. WEITZ. That related to contributions?

Mr. NELSON. Just three times. That was about it.

Mr. WEITZ. I understand.

In connection with those meetings or outside of those meetings, did you talk about what impact additional contributions would have, or did you overhear any such discussions on pending matters such as the antitrust suit?

Mr. NELSON. I do not recall that at all, because substantial contributions had been made when the antitrust suit was filed. I do not think it had any relationship to it. Now, I know this is contrary to what the present management stated they feel about this. I personally do not feel that the antitrust suit is related in any way to political contributions and I do not want to be misunderstood in what I say. I also do not think that it is a well-founded suit. I do not agree with it. That's what makes lawsuits, you understand, but I do not think that it is politically motivated.

Mr. WEITZ. I will put it the other way around. Were any of the intended contributions or the contacts of 1972 with respect to contributions made with any intention to effect the antitrust suit?

Mr. NELSON. Not to my knowledge.

Mr. WEITZ. And that was never discussed?

Mr. NELSON. Not as far as I recall, no, sir. I think that would be utterly ridiculous.

Mr. WEITZ. Wait a second. We just talked about the previous year with respect to price supports. I believe you said—

Mr. NELSON. That is an entirely different matter. One is a political decision and the other is a legal and judicial decision.

Mr. WEITZ. It is supposed to be a legal decision.

What I am asking you is, was there any discussion with respect to getting a more favorable approach from the administration as a result of additional contributions?

Mr. NELSON. No, not that I recall.

Mr. WEITZ. But you felt price supports was a political matter, so that you—that it would not be inopportune to make contributions, and therefore seek greater favor or at least appear in a more favorable light with certain administration officials?

Mr. NELSON. In order to be heard.

Mr. WEITZ. Right. With this administration, as I think you testified yesterday?

Mr. NELSON. Within any—well, yes, with this administration. That's the only administration we had.

Mr. WEITZ. As I recall—well, I won't go through yesterday's testimony. I think the record will speak for itself.

Mr. SUMMERS. Alan, let me ask one more question.

With respect to the investigation by the Justice Department of AMPI that preceded the filing of a lawsuit, were there any discussions between you or anyone else at AMPI and Justice Department officials which indicated that the suit might be a criminal antitrust suit rather than a civil one?

Mr. NELSON. No, sir.

Mr. SUMMERS. Was there ever any discussion with your attorneys as to whether there would be a civil or a criminal suit?

Mr. NELSON. That suit was filed very shortly after I left. The suit was never discussed, or the fact that it was about to be filed was never discussed with me, or insofar as I know, with any of the attorneys representing AMPI during that period.

Mr. SUMMERS. Thank you.

That is all.

Mr. WEITZ. Mr. Sanders?

Mr. SANDERS. I am going to have to go back over, touch upon a few matters here and there that we have covered in the last—yesterday and today, and I thought, rather than interrupt Alan every time I had something to ask, I would just save them up to the end.

With regard to the \$100,000 contribution to Kalmbach in 1969, and the source of that money by Lilly, can you enlighten me on the decision-making process to use TAPE funds for that, or to borrow from TAPE in order to make that payment?

Who ultimately made the decision in that respect?

Mr. NELSON. Well ultimately, any decision made would have to be mine. The buck stops here.

Mr. SANDERS. You did have a personal involvement in it, and you did personally make the decision?

Mr. NELSON. I was personally involved in it, and—I do not recall. I recall telling Mr. Isham we needed the \$100,000, and that was the way it was decided. And I cannot tell you the thought processes or the input by whom and what. But that is the way it was done.

Mr. SANDERS. Now, bearing in mind that this was in 1969, bearing in mind that the next election that the President might encounter would be 3 years hence, and that circumstances might evolve whereby he might not even run, and bearing in mind that he had just been through the expense of a campaign, can you say that this \$100,000 contribution to Kalmbach was given with any thought toward the expenses of the 1972 campaign?

Mr. NELSON. No. Either way, there was not any thought of saying it would be for 1972, or pay debts for 1968, or that sort of thing. We're not even sure whether it was a contribution or whether it was for legal fees.

Mr. SANDERS. So it might just as well have been for use in cleaning up expenses of the 1968 campaign as it might be for the 1972 campaign?

Mr. NELSON. That is correct.

Mr. SANDERS. Or as well, to be used for the Republican 1970 congressional races, if they saw fit to use it for that?

Mr. NELSON. Yes, sir.

Mr. SANDERS. So there was no representation to you from Kalmbach or anyone else connected with the administration that this money was to be used for any one of these purposes as opposed to another?

Mr. NELSON. That is right.

Mr. SANDERS. As a matter of fact, in one of the exhibits shown to you by Mr. Weitz—I have forgotten which one now—there was some indication that the money was for the 1970 races. Do you recall seeing that?

Mr. NELSON. Yes. Do you mean in connection with some of those committees?

Mr. SANDERS. Yes, sir.

I am sorry. That reference was not with regard to the Kalmbach money, but with regard to the 1970 committee contributions.

Mr. NELSON. I recall discussions concerning the possibilities that some of the money would be used for that.

Mr. SANDERS. You do recall discussions with whom?

Mr. NELSON. I believe with Mr. Colson.

Mr. WEITZ. Do you know which exhibit, what the exhibit refers to?

Mr. SANDERS. I might be able to identify it from the marginal note I have here.

Mr. GALLMAN. It is Lilly exhibit No. 2, I think. It is that list of payments showing \$80,000 for 1970.

Mr. SANDERS. No, it is a rather late exhibit, one within the last hour or two, probably a Harrison writing. It may be [pause]. No, I am sorry. I cannot pin it down for you.

I want to explore, just a little bit, your remarks about the need to open doors with the Nixon administration.

As of 1969, can you state with any more particularity what favors, if any, were desired by AMPI?

Mr. NELSON. It was not favors. I do not think it was favors. We did not seek favors for AMPI, and we did not receive favors for AMPI.

We sought action which you could call favorable action on matters such as imports, price supports and so forth. But those were all for the industry as a whole, not for the organization AMPI or the other two dairy organizations that have been mentioned in previous testimony.

We knew that we were going to have price-support problems. You always have price-support problems coming up. You will always have this constant specter of these imports, and this is not a partisan thing. This is not something that is true of a Republican administration or the Nixon administration, as opposed to a Democratic administration. This is something that you need to be able to get over there and discuss, because the Council of Economic advisers, I say, whether in a Republican administration or Democratic administration, you cannot tell them apart, other than that there are some other different personalities. They are all monetary economists who think like monetary economists and do not think in the terms of the agricultural economists, and therefore, when you start presenting your position, if you are not there so that you can be heard at the highest level, you are shot

out of the saddle by virtue of the fact that you cannot refute what they have said.

So, that is what makes it incumbent upon you to have the ultimate ability, when it gets down to it, to get in there and be heard.

Mr. SANDERS. As of the time of the 1969 delivery to Kalmbach, had you found any doors closed in trying to gain access?

Mr. NELSON. Let's put it the other way. We had not found any open. You see, we were in this position.

Mr. SANDERS. You had not yet had the need?

Mr. NELSON. We had had the need, but we had not been able to get in there, simply because we were all Democrats. All—well, I say all of us in key positions and so forth in there. We just had no one we knew.

Mr. SANDERS. All right. If you say you could not find any doors open, you are also saying they are closed.

Mr. NELSON. Well—

Mr. SANDERS. You don't have to accept my language either.

Mr. NELSON. I am just saying that we had not found a way to open the doors. Obviously, if you want to open a door, it follows that it's closed.

Mr. SANDERS. What I am getting at is, can you cite to me any examples of where you encountered doors not open to you in 1969 as of the time of the delivery of money to Kalmbach?

Mr. NELSON. We hadn't found them open, is the way I put it.

Mr. SANDERS. Can you cite any examples?

Mr. NELSON. Well, we had just been unable to get there. We had not had a meeting with the President.

Mr. SANDERS. Had you been trying?

Mr. NELSON. We had asked, but we had not succeeded.

Mr. SANDERS. Who had you been talking with?

Mr. NELSON. We had been talking mainly to the people we had been talking to before, who were unable to do it. You see, they admitted they were unable to do it.

Mr. SANDERS. Had you actually gone so far as to talk to any member of the staff in the White House?

Mr. NELSON. No; we didn't know any of them to talk to. You see, we didn't know any of them.

We had talked to some of our Republican friends, who said that they did not have the ability to get in over there either.

Mr. SANDERS. When billings came in to AMPI from attorneys and consultants who were providing money to Lilly to repay the loan, was it your understanding that they were all supposed to come in to you for approval?

Mr. NELSON. Some did and some did not.

Mr. SANDERS. But you thought that they were supposed to come in to you?

Mr. NELSON. Like I say, some did come to me and some did not come to me. Some were paid, you know, that I had formally approved, and some that I did not.

Mr. SANDERS. Did you give any instructions to Isham with regard to what should be sent to you for approval?

Mr. NELSON. I think Isham knew. I do not recall any formal instructions. It was a matter that he knew.

Mr. SANDERS. Did you gain any understanding as to how Isham would know that a billing was spurious, as opposed to one for services truly rendered?

Mr. NELSON. I don't know that he always knew. I don't know that I always knew.

Mr. SANDERS. Are you saying that there was no system by which Isham or you would be alerted?

Mr. NELSON. I am saying there is no real way that you can tell, like on legal fees, when a large amount of legal work is being done, that you can really pin down, you know, that closely.

Mr. SANDERS. Were you aware of any arrangement with the firms by which they would perhaps identify such billings by some code?

Mr. NELSON. No; I was not.

Mr. SANDERS. Or by a cover note to be detached later?

Mr. NELSON. No; I am not aware of that.

Mr. SANDERS. You told us that possibly at two board meetings you made some mention that the attorney fees were high because they were being reimbursed for political contributions.

Mr. NELSON. Yes.

Mr. SANDERS. Was it understood that these remarks were not to be included in the minutes? Was there any instruction or understanding?

Mr. NELSON. I would say it was understood that those remarks were not to be included in the minutes.

Mr. SANDERS. Was the board informed on these occasions of the means by which the money was passing from these firms to the ultimate recipients, that is, by the device of Lilly, let's say?

Mr. NELSON. They knew that Lilly was involved in that sort of thing. Some of the board members actually called on him to do some of those things.

Mr. SANDERS. Was the board informed of the identity of the recipients?

Mr. NELSON. In some instances, yes. In some instances, no. Do you mean did the board know who we were supporting?

Mr. SANDERS. Yes.

Mr. NELSON. Pretty generally, I think.

Mr. SANDERS. Did the board know that the great burden of contributions presumably in 1969 and 1970 was to pay for the money given to Kalmbach?

Mr. NELSON. No; that was not spelled out.

Mr. SANDERS. Did the board know that Kalmbach had received any—

Mr. NELSON. Not Kalmbach as such; no.

Mr. SANDERS. Did the board know that money had been given for the Republican administration?

Mr. NELSON. Yes; as a matter of fact, board members themselves—I think if you would check the records, the expense accounts of board members who themselves turned in their own expense accounts to recover political contributions that they themselves had made.

Mr. SANDERS. For what period of time are you speaking?

Mr. NELSON. Any period of time.

Mr. SANDERS. Over the last 4 years?

Mr. NELSON. Yes.

Mr. SANDERS. Prior to that time also?

Mr. NELSON. Prior to that time also. I do not say every board member. I say you will find that that was done.

Mr. SANDERS. Can you give us an approximation of the number that were involved?

Mr. NELSON. No; I have not gone over that. You would just have to let the record speak for itself on that.

Mr. SANDERS. Of course there would be no way of telling from the records on the face of them.

Mr. NELSON. You understand that in the matter of the board's expenses the board policed itself. The management did not do that.

Mr. SANDERS. What I am saying is, the mere examination of the records would not show which were for legitimate expenses and which were not.

Mr. NELSON. I guess you would have to ask, but I understand that—well, I guess you would have to ask the board members.

Mr. SANDERS. Do you know for a fact that Mr. Butterbrodt was involved in such contributions?

Mr. NELSON. I have been told that he has publicly stated that before the board.

Mr. SANDERS. That he has submitted vouchers to cover contributions that he has made to candidates?

Mr. NELSON. That is my understanding.

Mr. SANDERS. To Democratic candidates as well as Republican candidates?

Mr. NELSON. I could not tell you the candidates. I believe that Mr. Butterbrodt is a Republican, but I do not know if that has any significance as to what candidates he gave contributions to. And I may be wrong about his being a Republican, but I believe he is.

Mr. WEITZ. We will not hold you to that.

Mr. NELSON. I don't want to get Mr. Butterbrodt—either way, he might be affronted by what I call him.

Mr. SANDERS. I think I missed out on the approximate date of your meeting with Kalmbach at the Madison Hotel where Colson, Tom Evans, and Harrison were present.

Mr. NELSON. Oh, boy. I can't—

Mr. SANDERS. I think you did say it was in 1970.

Mr. GALLMAN. The record shows late November 1970.

Mr. SANDERS. Our record?

Mr. GALLMAN. Yes; in this interview.

Mr. SANDERS. Thank you.

You made mention yesterday of AMPI contributions to Humphrey in 1970. I believe you said that a request was made to you by Parr. Am I recalling this correctly?

Mr. NELSON. I do not remember in what connection you are talking about there. We did contribute to Senator Humphrey's campaign in 1970.

Mr. SANDERS. Funds aside from TAPE funds?

Mr. NELSON. I believe that is right.

Mr. SANDERS. And what I am trying to ascertain is the means by which the funds were made obtainable

Mr. NELSON. You would have to get that from Bob Lilly.

Mr. SANDERS. You have no understanding of the obtaining of funds?

Mr. NELSON. I would if my memory was refreshed, but I just do not recall, and I cannot tell you the amounts either.

Mr. SANDERS. Did you have any success in contacting the pilot?

Mr. NELSON. No. I guess I told Alan in your absence that I have not. But I will pursue that, and I will get a hold of him, and I will inform you as to what he says about that in Minneapolis. I will make a note on the dates that we are talking about. We are talking about—

Mr. SANDERS. July of 1971.

Mr. WEITZ. Is this in respect to Valentine, Sherman?

Mr. SANDERS. July of 1971 and December of 1971. Do you want any other dates? Oh, Alan, you were not here.

Mr. WEITZ. No.

Mr. SANDERS. I think I may have asked you this. Did you have any direct conversation with Parr concerning the activities of Johnson in Washington, D.C., on behalf of Mills?

Mr. NELSON. No.

Mr. SANDERS. In your trip to Louisville on March 23-24, 1971, in your effort to induce Alagia to free some SPACE funds for the reelection, was there any thought on your part that funds other than trust funds would be used by any of the dairy cooperatives?

Mr. NELSON. No; we were talking about trust funds.

Mr. SANDERS. For quite some time, AMPI had used corporate funds to assist political candidates. And then it appears we come into an era when you have in mind the use of trust funds, and perhaps actually getting away from the other system.

Can you recall any watershed conference or discussion at which you or any of your staff decided that from here on out we are going to use trust funds?

Mr. NELSON. It was after the campaign of 1968 that we decided that we wanted to find a better way. So that led to the formation of TAPE.

Mr. SANDERS. Did this occur in a meeting or a conference, or was it some sort of evolving thing?

Mr. NELSON. Just an evolving thing. It was not in a meeting or a conference.

Mr. SANDERS. Yet, you did not adhere to this with regard to lending and payment to Kalmbach?

Mr. NELSON. That's right. Well, we did initially. It came out of TAPE funds.

Mr. SANDERS. You reverted for a while there?

Mr. NELSON. Yes.

Mr. SANDERS. Did you at any time articulate any promise to any official of the Nixon administration or the Nixon reelection effort to make a certain amount of money available for the reelection of the President in return for an increase in milk price supports?

Mr. NELSON. No, sir.

Mr. SANDERS. Do you have knowledge that anyone else in AMPI did so?

Mr. NELSON. No, sir.

Mr. SANDERS. Do you have knowledge that any official of any other dairy co-op or trust did so?

Mr. NELSON. No, sir.

Mr. SANDERS. Did you ever hear anyone in any of the dairy co-ops verbalize the idea that the payments which were made to various ad-

juncts of the reelection effort were in fulfillment of any understanding that this would be done if the milk price support were increased?

Mr. NELSON. Do you mean in connection with payments that they were making subsequent to it and that sort of thing?

Mr. SANDERS. After the support.

Mr. NELSON. That has been put in print. I have seen that idea expressed in print by the president of Mid-America Dairymen, I believe, Mr. Powell. I have heard people say that sort of thing. That was done by people who really did not participate in actually pressing and getting the job done.

Mr. SANDERS. Has anyone from AMPI ever said that?

Mr. NELSON. I do not believe you've seen anything in print from AMPI, but I'm sure that's been said by farmers out in the countryside. That is the sort of thing—

Mr. SANDERS. Principally, I was talking about officials of the co-ops.

Mr. NELSON. Well, Mid-Am—he was the president of it, and his intentions were good. It's just that he was not aware of the full facts.

Mr. SANDERS. There would be a difference between making the contributions in the way of gratitude for action taken by the administration, as opposed to making the payments in fulfillment of an obligation?

Mr. NELSON. That is right. There is a matter of semantics involved there, too. There is no obligation to fulfill because of the price support increase.

Mr. SANDERS. You have told us of one occasion when Kalmbach told you the reelection effort did not desire any further contributions by the dairy industry.

Do you know of any other instances when it was conveyed to you or your staff that the reelection effort did not desire any further contributions?

Mr. NELSON. Not that I recall.

Mr. SANDERS. At any time since March 24, 1971, have you been apprised by any responsible official in the Nixon administration or reelection effort that any action taken by you on March 24, 1971, or any representations made by you on that day resulted in the price increase, the increase in the support level the following day?

Mr. NELSON. No.

Mr. SANDERS. The various dairy trusts, as the record shows, made many contributions to a great variety of Congressmen and Senators, Republicans and Democrats, and to a great variety of Presidential candidates.

Do you know of any formalized allocation of funds at the beginning of a period of time whereby these contributions ensued?

Do you understand?

Mr. NELSON. Yes. No.

Mr. SANDERS. In other words, let's say at the beginning, when a Presidential race began sometime in the beginning, sometime in 1971, let's say, would anybody from AMPI or the other co-ops have gotten together and said, now, we are going to try to allocate this much money to Democratic Congressmen and this much to the Democratic Senators, and this much to Republican Senators?

You know of no arrangement such as that?

Mr. NELSON. No, I don't recall any arrangement such as that.

Mr. SANDERS. You were asked a number of questions about conversations between you and Dr. Mehren at the time you left AMPI, and

the word "commitment" was used in many of these questions to you and in many of your answers. What I want to clarify is how the word "commitment" might have been used by you, and how it might have been thought of by Dr. Mehren, if we can.

I gather that you are telling us that you felt that there was some commitment on the basis of what you had told various administration and reelection people, in general terms that a great sum of money would be available if they provided you committee names.

What I am wondering is whether that type of a commitment can be distinguished from what some people may think of as a commitment to make contributions because of a promise based upon a representation that the support level would be increased. We might be talking about two different types of commitment here, and what I want to clarify is how you used this in talking with Dr. Mehren.

Mr. NELSON. Dr. Mehren understood that there was no commitment based upon any past favors granted on behalf of the administration, if you want to put it that way, or based upon the fact that they had taken specific administrative actions with regard to any matters affecting the dairy industry.

Mr. SANDERS. When he asked you—and you did tell us on the record here that Dr. Mehren had asked you if AMPI had made any commitment for political contributions, and your answer was yes.

Is your answer there related only to commitments to give to the committees, rather than a commitment to pay for a promise to increase the support level?

Mr. NELSON. Absolutely.

Mr. SANDERS. I found it, Alan. It is in the Strachan memo with regard to the 1970 election, page 2 of the Strachan memo. Let me read it.

"Kalmbach's concerns center around recent press disclosures that linked Jack Gleason and the 1970 campaign election funding."

Mr. WEITZ. Right. And you are saying that that—

Mr. SANDERS. Well, what I say or argue is immaterial.

Mr. WEITZ. OK, that is the reference you are making?

Mr. SANDERS. [Nods in the affirmative.]

Mr. WEITZ. OK.

Mr. SANDERS. Do you think that Kalmbach never knew that TAPE was submitting reports to the Clerk of the House?

Mr. NELSON. I do not know.

Mr. SANDERS. You do not know whether he did or not?

Mr. NELSON. I do not know.

Mr. SANDERS. He was concerned about the coming of the deadline of April 7, after which there would be full public disclosures, which would seem to indicate that he thought contributions before that date were not being made a matter of public record.

Mr. NELSON. [Nods in the affirmative.] That hadn't occurred to me.

Mr. SANDERS. There was never any discussion?

Mr. NELSON. No; there wasn't.

Mr. SANDERS. Mr. Weitz asked you a few questions concerning the "No Retreat From Tomorrow."

Mr. WEITZ. I think the record shows that I asked who ordered the IRS investigation.

Mr. SANDERS. OK. Did AMPI pay for the costs in publishing of this book?

Mr. NELSON. We paid part of it.

Mr. SANDERS. What part?

Mr. NELSON. I cannot tell you the amount. It was a substantial part of the money.

Mr. SANDERS. By percentages, do you have any idea?

Mr. NELSON. I don't have any idea.

Mr. SANDERS. At whose request was this payment made?

Mr. NELSON. I do not recall who it was that asked us to do that.

Mr. SANDERS. Was it someone in the Johnson administration?

Mr. NELSON. Yes.

Mr. SANDERS. Someone working in the White House?

Mr. NELSON. I do not recall. Either that, or for the national committee. Somebody connected with the administration.

Mr. SANDERS. Did it appear to you that this was a project desired by the Democratic National Committee?

Mr. NELSON. It appeared to me it was a project desired by the President.

Mr. SANDERS. For what overall purpose?

Mr. NELSON. Of getting the story of the administration, an objective story, out to libraries. That's the way it was presented to us—libraries, schools—a message about not the administration so much, but as about what America was about.

Mr. SANDERS. Did the volume that was eventually distributed bear any indication that it was partially funded by AMPI?

Mr. NELSON. I don't think so. As a matter of fact, I know I have one of those volumes. But I cannot—and I think if it did bear an indication that I would remember it. I am all but certain that it did not.

Mr. SANDERS. So that AMPI received no actual publicity benefit from this?

Mr. NELSON. No, sir.

Mr. SANDERS. What benefit did AMPI receive from it?

Mr. NELSON. No directly measurable benefit. It was looked upon as a public service sort of expenditure.

Mr. SANDERS. Do you recall in what year that was published and distributed?

Mr. NELSON. It seems to me that it was 1967 or 1968. I am not sure.

Mr. SANDERS. And corporate funds were used to pay for this?

Mr. NELSON. Yes, sir.

Mr. SANDERS. Is there one hotel in Minnesota where you customarily stay when you are there, or do you have a variety?

Mr. NELSON. I haven't stayed there that often, that much. I have stayed at the Radisson. I've stayed—I think there is a motel out near the airport called the Thunderbird. I have stayed—I cannot think of the name I was trying to think of yesterday. It is a new, large motel out near the airport. There is another hotel downtown that I've stayed at. I cannot think of the name of it. I did not stay there often.

Mr. SANDERS. I am finished.

Mr. WEITZ. I have a few more questions.

At the time of the delivery of money to Mr. Kalmbach in 1969, on or around that time, were you aware of any surplus or deficit in the 1968 Presidential campaign of President Nixon?

Mr. NELSON. No, I was not.

Mr. WEITZ. You were not aware of whether there was a deficit, or whether or not there was a surplus?

Mr. NELSON. There was a rumor that there was actually a surplus.

Mr. WEITZ. So that to the extent that you had any knowledge or recollection you would not have thought the payment was going to pay for the 1968 campaign?

Mr. NELSON. That is right.

Mr. WEITZ. Did you have any knowledge of Mr. Kalmbach's role with respect to the President, other than a general fundraiser for the President and his attorney?

Mr. NELSON. That's all.

Mr. WEITZ. You did not know his relationship to a particular congressional or other campaign?

Mr. NELSON. No.

Mr. WEITZ. Now, in exhibit No. 8, which we referred to before as a memorandum from Marion Harrison to John Whitaker on March 19, 1971, is the following sentence or sentences:

Last year Secretary Hardin favored 85 percent. Budget director Mayo and others were opposed on the grounds that it would cost too much; 85 percent won out. This year, the Secretary leans strongly against 85 percent.

Does that accord with your recollection?

Mr. NELSON. That is in accordance with his decision.

Mr. WEITZ. Now, you have talked about no particular favors that you were seeking, or at least trying to purchase or buy with your contributions to the President in 1971 and 1972.

Without putting any words into your mouth as to prior testimony, but to ask you directly: Were you concerned, however, in light of the representations throughout 1970-71, that there would be substantial amounts forthcoming, were you concerned that if you did not in fact make such contributions when asked, when the committees were ultimately organized, that you and the co-op particularly would be placed in disfavor in the administration?

Mr. NELSON. I think that I would have felt that there certainly wouldn't be many doors open. You wouldn't have much of a basis to talk to anybody and get them to believe you concerning positions you were taking and representations that you were making if you didn't keep other representations that you had made. That would be my construction on it, yes.

Mr. WEITZ. When you talked about commitments with Dr. Mehren, whatever the meaning of the term, certainly at least it connotes a representation or a promise without regard for something in return, at least a promise that certain contributions would be made when committees were available. It certainly means that.

Mr. NELSON. It certainly does.

Mr. WEITZ. And that is the least meaning that you intended to convey to Dr. Mehren?

Mr. NELSON. That is the meaning I intended to convey.

Mr. WEITZ. You were asked whether it refers to a promise in return for a particular favor.

In light of what you have testified, does it also mean that it was a promise that you had made in exchange, or in the hope of being generally in favor with the administration on a number of matters or on all dairy matters?

Mr. NELSON. In the hope of being in favor on all dairy matters, with the realization that you never can prevail 100 percent of the time on anything.

Mr. WEITZ. And in the hope of avoiding being in disfavor with the administration. Is that also correct?

Mr. NELSON. The opposite of being in favor is disfavor.

Mr. WEITZ. And that was particularly true after the earlier representations had been made that contributions would be forthcoming?

Mr. NELSON. I think it would be worse to represent that you were going to make contributions and not make them. If you're going to do that, I think you'd be better off never to make any representations at all.

Mr. WEITZ. Were you generally in the habit of, or did you generally tell members of the other co-ops—meaning their leaders—of your meetings with top Government officials or fundraisers such as Mr. Connally or Mr. Kalmbach?

Mr. NELSON. Yes; they were aware. You see, Mr. Connally was not a top fundraiser for the Republicans.

Mr. WEITZ. I said top Government officials or fundraisers.

Mr. NELSON. Oh.

Well, I think any time we met with, for instance the Secretary or the President, they knew it.

Mr. WEITZ. Can you explain then why you did not tell Mr. Parr of your meeting with Mr. Kalmbach on March 24?

Mr. NELSON. I did not put Mr. Kalmbach in the same category.

Mr. WEITZ. You are saying you did not generally tell others of your meetings with Mr. Kalmbach?

Mr. NELSON. I did not generally tell people about the \$100,000 contribution to Mr. Kalmbach.

Mr. WEITZ. I am not talking about 1969. I am talking about 1971 when you met with Mr. Kalmbach.

Did you tell others of your meeting with Mr. Kalmbach, or was that the type of meeting you would have informed others of?

Mr. NELSON. Yes; I believe we did tell them of the meeting with Mr. Kalmbach in 1971.

Mr. WEITZ. March 1971 at the Madison Hotel with Mr. Chotiner?

Mr. NELSON. Oh, you are talking about the meeting at night?

Mr. WEITZ. What meeting are you talking about?

Mr. NELSON. I was thinking in terms of the meeting with Mr. Kalmbach when we had Mr. Evans and Mr. Mitchell.

Mr. WEITZ. No; I am talking about the meeting late at night at the Madison Hotel, March 24, 1971.

Did you tell anyone else about the meeting that you can recall?

Mr. NELSON. I do not recall that I did.

Mr. WEITZ. Did you tell Mr. Parr about the meeting?

Mr. NELSON. I do not believe that I did.

Mr. WEITZ. And is it likely you would have told others if you did not tell Mr. Parr?

Mr. NELSON. Oh, there might have been others that I would have told and not told Mr. Parr.

Mr. WEITZ. Like whom?

Mr. NELSON. If Mr. Lilly had been there I might have told him. If Mr. Alagia had been there I might have told him.

You have got to understand Mr. Parr. If Mr. Parr had known that you were going to meet anyone down there, he would want to be sitting down there talking, to keep pressing on the price support thing. I fig-

ured we had done all we could up to that point, and there wasn't any point of beating it any more. We had seen the President.

Mr. WEITZ. In fact, you said that Mr. Chotiner said it was not certain, but it looked like you had the increase?

Mr. NELSON. No; I didn't say that. I said Mr. Chotiner told us not to count on anything until we got it—not to count on it.

I said that Congressman Belcher was telling that it was done.

Mr. DORSEN. If I may just ask a question—was Mr. Chotiner trying to give you some encouraging feeling about the administration's decision?

Mr. NELSON. No; he sure wasn't.

Mr. DORSEN. Was he trying to give you any impression with respect to any possible change in administrative position?

Mr. NELSON. No; Mr. Chotiner was mainly piqued and exercised at the fact that Mr. Kalmbach was not there.

Mr. WEITZ. What about before that, though?

Mr. NELSON. I hadn't even seen him before that.

Mr. WEITZ. Who told you of the meeting with Mr. Kalmbach?

Mr. NELSON. I said I don't recall who called and said there was a meeting or when. It was either Mr. Chotiner or Mr. Harrison. And the purpose of the meeting with Mr. Kalmbach, as I recall, was that Mr. Chotiner was going to see that Mr. Kalmbach got the committees.

Mr. WEITZ. And it didn't deal with substantive policies?

Mr. NELSON. No.

Mr. DORSEN. So at that point the purpose of the meeting was in effect strictly one dealing with contributions at a time——

Mr. NELSON. That's right. It wasn't a meeting, really, you know. Here this guy's a lawyer. He is in the position of being my lawyer. You say—well, you had a meeting. We were sitting right there in the Madison Hotel in the lobby before God and everybody waiting on Kalmbach to get there, and it took us all of 5 minutes at the most once we got upstairs and woke Kalmbach up and found him. And he said that he would get the committees, and it is unequivocally understood that he is going to get them. That's the position we are in.

Mr. DORSEN. So that this conversation—or exchange I guess is a better word—took place between the President's decision on March 12, 1971, and the effective date of that decision, which was on April 1, 1971. The discussion, conversation, or whatever it was, took place in that period?

Mr. NELSON. Took place in that period?

Mr. DORSEN. Yes.

Mr. NELSON. Yes; in that period. Am I following that question right?

Mr. GALLMAN. Yes, sir.

Mr. NELSON. All right.

Mr. DORSEN. I have no further questions. Does anyone else?

Mr. SANDERS. [Nods in the negative.]

Mr. WEITZ. [Nods in the negative.]

Mr. NELSON. Who do you want me to call about this date, if I find out—and I am going to make a diligent effort.

Mr. SANDERS. Call me.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. WEITZ. If there are no more questions we will adjourn.

[Whereupon, at 4:20 p.m., the hearing in the above-entitled matter adjourned.]

NELSON EXHIBIT No. 1

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December 16, 1970

The Honorable Richard Nixon
The White House
Washington, D. C.

Re: \$22 Tariff Commission (Milk) Recommendations
Presidential Proclamation

Dear Mr. President:

This letter discusses a matter of some delicacy and of significant political impact.

Since January 1 my Washington partner Marion Harrison (one of your 1968 Virginia Co-Chairmen) and I have represented Associated Milk Producers, Inc. ("AMPI"). At the White House in September you privately met AMPI's two key leaders, Harold Nelson and Dave Parr. You spoke by telephone from the beach at San Clemente to Secretary Hardin and to Harold Nelson during AMPI's annual convention in Chicago Labor Day weekend. You told Harold of your intent personally to address AMPI's next annual convention (a gathering of almost 30,000 dairy farmers and their families).

AMPI has followed our advice explicitly and will do so in the future. AMPI contributed about \$135,000.00 to Republican candidates in the 1970 election. We are now working with Tom Evans and Herb Kalmbach in setting up appropriate channels for AMPI to contribute \$2 million for your re-election. AMPI also is funding a special project.

On September 21 the Tariff Commission recommended to you, after it did a study you requested in May, four specific quotas for four specific dairy products. These recommendations are well documented and by now are well known in the dairy and related industries. No Presidential Proclamation has been issued.

The problem is this. The dairy industry cannot understand why these recommendations were not implemented

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very quickly. The longest the Democrats ever took to implement a Tariff Commission dairy recommendation was 16 days. On one occasion, President Johnson even imposed quotas before he received the Tariff Commission's recommendations!

The overall parity ratio is at its lowest since December 1933. Farmers generally are unhappy with the economy. You know our farmbelt losses in the election.

The Government saves money (by saving price support payments) and the farmer makes money when the recommended quotas are imposed. The products are all "evasion" products - that is, products which historically were not imported but which started to be imported only after quotas were imposed on other products.


The dairy and related industries have great faith in your personal leadership. At the same time, they are shaken by the economy. The right kind of Proclamation issued quickly would dramatize your personal interest in a large segment of agriculture.

This problem is bogged down within the White House. It is a victim of the bureaucracy - the Trade Bill people, the National Security Council people, the domestic people. It has been studied and restudied. It is not moving.

We write you both as advocates and as supporters. The time is ripe politically and economically to impose the recommended quotas. Secretary Hardin, the Tariff Commission and the dairy industry all support this. All that is necessary is a simple Proclamation implementing the four specific Tariff Commission recommendations.

(We attach a more detailed Memorandum. The subject is quite interesting if you have time for it.)

Respectfully,



PATRICK J. HILLINGS

PJH:ek

Enclosure

NELSON EXHIBIT No. 2

FOR IMMEDIATE RELEASE

JANUARY 5, 1971

FOR FURTHER INFORMATION CONTACT:

Arthur Moczygemba
Associated Milk Producers, Inc.
4th Floor, GPM Life Building
San Antonio, Texas 78216
Area Code: 512 341-8651

ELKHORN, WISCONSIN--"The Nixon Administration is to be commended for taking decisive action to restore congressional intent and to prevent 'over-burdening' the domestic market for dairy products through evasions of import quota regulations," John Butterbrodt, Burnett, Wisconsin, said today.

"The President's December 31 proclamation establishing import quotas for four categories of dairy products has been the object of a lot of work by AMPI for many months," he said.

Butterbrodt, President of Associated Milk Producers, Inc., speaking to a dairy farmer meeting at Elkhorn, Wisconsin, said that dairy products designed to circumvent the Tariff Commission product definition and to circumvent congressional intent have reduced farm prices for milk and have increased Department of Agriculture purchases of dairy products under the price support program. "USDA purchases of butter, non-fat dry milk and cheese have been somewhat higher this past year than in 1969, and much of the increase has come about because of increased imports of the products that President Nixon specified in his proclamation," Butterbrodt stated. "Further action is needed to deal with lactose and cheese varieties priced higher than 47¢ per pound," he said, "and hopefully, the President will soon deal with those products."

"Without President Nixon's proclamation, American dairy farmers could not have hoped for market prices that would reflect rising production costs, and the damage to our domestic dairy industry would have been costly to consumers. Dairy Farmer numbers have been going down too rapidly," Butterbrodt said, and "President Nixon's decision is a step toward more stability in our market that will be remembered and appreciated by dairy farmers."

6704

NELSON EXHIBIT NO. 3

THE WHITE HOUSE

WASHINGTON

January 30, 1971

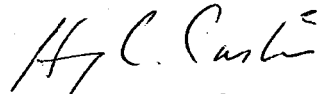
Mr. Harold S. Nelson
General Manager
Associated Milk Producers, Inc.
800 N. W. Loop 410
Post Office Box 32287
San Antonio, Texas 78216

Dear Mr. Nelson:

I thought you might be interested in having some photographs taken at the recent briefing held at the White House.

The President considered it a most worthwhile session and we look forward to working with you in the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "H. C. Cashen II". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Henry C. Cashen II
Deputy Assistant to the President

Enclosures.

RECEIVED FEB 3 1971

NELSON EXHIBIT No. 4

LAW OFFICES

REEVES & HARRISON

SUITE 500

1701 PENNSYLVANIA AVENUE, N.W.

WASHINGTON, D. C. 20006

TELEPHONE 202 298-9030

TELEX 440376 CRDK

CABLE "REEVLAW"

MARION EDWYN HARRISON
ERNEST GENE REEVES
ROBERT F. SAGLE
MYRON SOLTER
JUDY R. POTTER

OF COUNSEL
PATRICK J. HILLING
WM. MONTGOMERY SM

January 14, 1971

The Honorable Clifford M. Hardin
Secretary of Agriculture
Department of Agriculture
Room 200
Washington, D. C.

Re: Meeting with the President
Dairy Industry

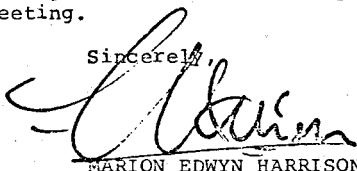
Dear Mr. Secretary:

We submit herewith the list you, Pat Hillings and I discussed when we met in your office on January 11, 1971. The list names those people our client Associated Milk Producers, Inc. would like to see invited to meet with the President and yourself at the White House.

Please note we have listed several leaders of the dairy industry who are officials of dairy organizations other than AMPI so that we might have broad dairy leadership representation at the meeting.

We appreciate your generous offer to carry the ball in setting up this meeting.

Sincerely,



MARION EDWYN HARRISON

MEH:ek
Enclosure

LIST OF KEY DAIRY INDUSTRY PERSONNEL
TO MEET WITH THE PRESIDENTListed Alphabetically

Mr. Paul Affeldt, President
Pure Milk Products Co-Operative
Sparta, Wisconsin 54656
608 269-4356

Paul Alagia, Esquire, Executive Director and General Counsel
Dairymen, Inc.
506 Portland Federal Building
Louisville, Kentucky 40218
502 585-4301

Mr. Melvin Besemer
Route 1
New Ulm, Minnesota 56073
507 354-4404

Mr. John E. Butterbrodt, President
Associated Milk Producers, Inc.
Route 1
Burnett, Wisconsin 53922
414 885-6076

Mr. Bill Eckles, General Manager
Pure Milk Products Co-Operative
500 North Park Avenue
Fond du Lac, Wisconsin 54935
414 921-4720

Mr. Don Gregg, Regional Manager
Associated Milk Producers, Inc.
Central Region
1020 North Fourth Avenue
Sibley, Iowa 51249
712 754-2511

Mr. W. R. Griffin
Route 1
Newcastle, Oklahoma 73501
405 778-3474

Mr. Carlyle Hansen, Regional Manager
Associated Milk Producers, Inc.
Northern Region
Box 455
New Ulm, Minnesota 56073
507 354-8854

Marion Edwyn Harrison, Esquire
Washington Counsel for Associated Milk Producers, Inc.
Reeves & Harrison
1701 Pennsylvania Avenue, N. W.
Washington, D. C. 20006
202 298-9030

Honorable Patrick J. Hillings
Washington Counsel for Associated Milk Producers, Inc.
Reeves & Harrison
1701 Pennsylvania Avenue, N. W.
Washington, D. C. 20006
202 298-9030

Mr. Wesley Johnson, Executive Vice President and General Manager
Mid-America Dairymen, Inc.
1101 East University
Springfield, Missouri 65804
417 881-8112

Mr. John A. Moser, President
Dairymen, Inc.
Route 1, Box 560
Louisville, Kentucky 40218
502 241-8281

Harold S. Nelson, Esquire, General Manager
Associated Milk Producers, Inc.
GPM Building, 4th Floor
San Antonio, Texas 78216
512 341-8651

Mr. David L. Parr
Associated Milk Producers, Inc.
Box 9589
Little Rock, Arkansas 72209
501 562-1900

Mr. Bill Powell, President
Mid-America Dairymen, Inc.
Route 1
Princeton, Missouri 64673
816 748-3101

Mr. P. L. Robinson
Dairymen, Inc.
Jonesboro, Tennessee 37659
615 753-3386

Mr. Avery Vose
Associated Milk Producers, Inc.
Route 2
Antioch, Illinois 60002
312 427-2255 office

Mr. Frank White
Associated Milk Producers, Inc.
Route 2
Cedar Vale, Kansas 67024
316 758-3600

Chotiner ?

NELSON EXHIBIT No. 5

Schultz: Everything must be
cut down.

H. Schultz has got to be
~~instructed.~~

on mail

I talked to Schultz & Pres.
50 min.

Pres. we were most
aggressive polit. organ in Ague
didn't give

NELSON EXHIBIT NO. 6

To <u>1127</u>	Message												
Date <u>3-22-71</u> Time <u>3:00</u>													
Phone Call Record													
Mr. <u>Franklin Kunkin</u>	Message Taken By <u>FW</u>												
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Mr. <u>J. Patterson</u>	Message Taken By <u>FW</u>												
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Phone <u>608-256-0687</u>													

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Phone Call Record													
Mr. <u>Mr. J. Patterson</u>	<u>360-5789</u>												
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Phone <u>202-255-6155</u>	<table border="1"> <tr> <td>TELEPHONED</td> <td><input checked="" type="checkbox"/></td> <td>PLEASE PHONE</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>CALLED TO SEE YOU</td> <td></td> <td>WILL CALL AGAIN</td> <td></td> </tr> <tr> <td>WANTS TO SEE YOU</td> <td></td> <td>SEE ME</td> <td></td> </tr> </table>	TELEPHONED	<input checked="" type="checkbox"/>	PLEASE PHONE	<input checked="" type="checkbox"/>	CALLED TO SEE YOU		WILL CALL AGAIN		WANTS TO SEE YOU		SEE ME	
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Date <u>3/25/71</u> Time <u>1:30 PM</u>	<u>Name</u>												
Phone Call Record													
Mr. <u>Martin Evans</u>	<u>(212) 234-3417</u>												
of	Message Taken By <u>FW</u>												
Phone <u>(312) 234-1547</u>	<table border="1"> <tr> <td>TELEPHONED</td> <td><input checked="" type="checkbox"/></td> <td>PLEASE PHONE</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>CALLED TO SEE YOU</td> <td></td> <td>WILL CALL AGAIN</td> <td></td> </tr> <tr> <td>WANTS TO SEE YOU</td> <td></td> <td>SEE ME</td> <td></td> </tr> </table>	TELEPHONED	<input checked="" type="checkbox"/>	PLEASE PHONE	<input checked="" type="checkbox"/>	CALLED TO SEE YOU		WILL CALL AGAIN		WANTS TO SEE YOU		SEE ME	
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NELSON EXHIBIT No. 7

LAW OFFICES
REEVES & HARRISON
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 1701 PENNSYLVANIA AVENUE, N.W.
 WASHINGTON, D. C. 20006
 TELEPHONE 202 292-9030
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 CABLE "REEVLAW"

MARION EDWIN HARRISON
 ERNEST GENE REEVES
 ROBERT F. SAGLE
 MYRON SOLTER
 JUDY R. POTTER

OF COUNSEL
 PATRICK J. MILLINGS
 WM. MONTGOMERY SMITH

March 11, 1971

The Honorable Charles W. Colson
 Special Counsel to the President
 The White House
 Washington, D. C.

Re: Dairy Industry - 85% of Parity

Dear Chuck:

You think "political" as I do so you can understand the enclosure. Senator Humphrey has put a speech in the RECORD - March 4, 1971, page 82478, photocopy enclosed - which blasts the Administration as though nothing had been done for the dairy industry. In the course of the blast, he does hit upon some things that need to be done.

Mr. Humphrey can't lose. Anything we do he can attempt to take credit for. Anything we don't do or delay in doing he can damn us for failing to do or for delaying in doing. Of course, our people know who is doing what but when there is great delay in doing something, it encourages somebody like Senator Humphrey to take advantage of it (for which, speaking strictly politically, I suppose one cannot blame him).

Our people often are frustrated - I know I am and I suspect you are - by the fact that we have been able to work out for the dairy industry more or less what it has wanted during the present Administration but often the strain on all of us and the delay are so great that the watermelon does not seem as juicy when the dairy industry finally bites into it. The last major item the industry will request for some time to come, other than the over-47¢ cheese Proclamation, is 85% of parity for the year beginning April 1, 1971. The sooner that gets announced, the sooner somebody like Mr. Humphrey can be

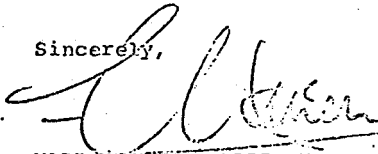
Hon. Charles W. Colson - 2 -

March 11, 1971

silenced. There are some Democrats whom we can keep quiet publicly. Mr. Humphrey is not one of them. When he sees an issue or the appearance of an issue, he seizes it. Perhaps that is one of the prerogatives of not having the executive responsibility.

At any rate, we might as well look at the bad publicity as well as the good, so whatever it's worth the enclosure might interest you.

Sincerely,


MARION EDWIN HARRISON

MEH:ek

Enclosure

cc: Henry C. Cashen II, Esq.

"Why not?" asked the woman, her arthritic hands clutching a metal walker.

"Shut up, frog mouth; we're runnin' this kitchen," the aide snapped. The woman stood expressionless for a moment, then shuffled away to her room.

90-YEAR-OLD KITCHEN

It was 7 a.m. in the Beacon Hill Nursing Home, 4530 N. Beacon St., where I worked as a maintenance man. The verbal abuse inflicted upon this helpless woman was mild compared with the other mistreatment the 33 patients in the home suffered at the hands of the staff.

Before my brief stay was over, I would see a 90-year-old cripple punched and kicked for brushing a diseased foot against the uniform of an employee. I would also observe two aged women reduced to the depths of degradation as they screamed and clawed for possession of a tattered blanket after a winter night without heat.

I would see roaches scurrying across floors that were crusted with accumulated filth, smell the persistent stench of human waste, hear the hysterical cries of former mental patients who had lived in the home amid the elderly, and I would feel the touch of an old woman's trembling hand as she begged me to sweep her out of the place.

"SWEEP ME AWAY"

Her poignant plea was made on my first day as I was cleaning the floor. "Go ahead, sweep me out of here," she said. "Sweep me away, I don't care. It's more than I can stand."

Most Americans will recall Feb. 5 as the day Apollo 14 landed on the moon. The patients in Beacon Hill will remember it as the day the boiler ruptured and near-zero cold, driven by gale-like winds, pierced the walls of the decaying building.

Throughout the day, the words, "I'm cold, I'm cold," echoed down the gloomy halls of Beacon Hill.

WRAPPED IN SWEATERS

Wrapped in threadbare sweaters, in worn blankets and shabby coats, many of the patients huddled silently in dim corners.

A 60-year-old man named Monroe sat in the second floor TV room watching the moon landing.

"Well, there they are," he said. "What the hell are they doing up there? What good does it do for us? We need money for schools, for the poor, for places like this."

Monroe asked me to find Morris Weintraub, the administrator, and tell him to turn up the heat. Neither the patients nor I knew at the time that the boiler had ruptured during the night.

HELPLESS ON FLOOR

"Tell him we're freezing. The heat was off all last night. It could kill some of these people," Monroe said.

As I anxiously searched for the administrator, I heard an elderly woman recount her own night of agony as she lay helpless on a cold floor. She complained to a companion:

"The window in my room slipped last night and all that cold air was coming in. I got up to shut it, but I slipped and fell and couldn't get up again. I called for a nurse, but one didn't come for the longest time. I don't know how long I was on that floor."

Then she broke into sobs: "Oh, God, oh God, oh God, I'm so sick of it."

STRUGGLE FOR BLANKET

In another room, a woman accused another of stealing her blanket. "It's my blanket, you stole it," she screamed. "No, it isn't. I found it on the floor," shouted the other. They started struggling for the blanket.

A nurse's aide entered and mediated the dispute with curses and threats. "Shut your damned mouths, both of you," she shouted. "If you don't shut up this minute, I'll take

all your blankets away and you both can freeze!"

The women kept yelling and the aide reached into her pocket and brandished a drug-filled syringe. "Now you gonna shut up, or do I have to jab you with this!" she yelled. The women cowed, sobbing. "Yes, all right, yes."

When I finally found Weintraub, he dismissed the lack of heat as a problem that would be solved later in the day and insisted that I turn my attention to waxing the front hallway. His virtual obsession with the appearance of the front hallway stemmed from his fear of the City Health Department. "Forget the rooms," he told me on more than one occasion. "The lobby and [front] hall are the first thing the health department will see if they show up."

Later the same day, I saw a 90-year-old man suffer the indignity and pain of physical punishment, administered by a young nurse's aide. The man was senile and confined to a wheelchair.

As the aide was placing a slipper on his infected foot, he accidentally brushed her uniform with his foot.

KICKS HIM ON LEG

Calling him a "no good bastard" she kicked him on the leg and punched him in the shoulder. The man cried out, and the aide barked, "... you, you do that again and I'm gonna beat you."

The aide did not stop there. A short time later, after the man had involuntarily urinated in his pants, she called him a series of vile names, then left him to sit in his own waste. Another nurse's aide threatened to hold his pant leg out the window until it froze.

Perhaps the one statement that best expresses the attitude of the staff at Beacon Hill toward the elderly and mentally ill came during my final hours of employment. As I was about to leave one afternoon, the director of nursing made this observation:

"I wish they'd just get these patients out of here. They're the most disgusting people I've ever seen."

DAIRY FARMERS FACE ROUGH TIMES

Mr. HUMPHREY, Mr. President, these have been rough times for America's dairy farmers.

They are going out of business at a rapid rate.

And the Nixon administration seems content to sit idly by while the situation continues to get worse.

First, the Department of Agriculture refused to buy any cheese for the school lunch program during the first semester of the school year, which began last fall. And it has purchased little or none this semester. Yet this same Department estimates that some 80 million pounds of cheese could be used for school lunches during this fiscal year.

Second, the Nixon administration wanted to kill the special milk program last year. It took a Democratic Congress to restore it. And the President's budget does not include any recommendation for this year.

Third, the administration has failed this year to increase farm values of milk through adjustments in the price-support program.

Fourth, the administration stood by for a long period of time while dairy farmers were harmed by imports brought into this country under evasions of the import control program.

This is the picture the Nixon administration has presented to the dairy farmer. It is not a pretty one.

It is time that the dairy farmer be given help—and hope.

I have contacted the Secretary of Agriculture and asked that the following steps be taken:

First, begin immediate purchases of cheese for the school lunch program at a level sufficient to provide the real needs of the program.

Second, raise the price support on milk to 90 percent of parity, as authorized by the Congress.

Third, hold down imports of dairy products to a level that will enable U.S. producers to market their products in an orderly manner.

Finally, I intend to submit a resolution in the Senate to restore the special milk program, and to see that sufficient funds are provided to meet the needs of that program.

As for our dairy farmers, one way to make their voices heard is to unite so they can set their goals and policies together. People in every section of the economy have done this. And they have done it with success.

There are milk marketing organizations that care about the farm price of milk, and which work on the national scene to protect the dairy farmer's interest.

These organizations deserve the support of every dairy farmer. Their work, in milk markets and in Washington, offers the greatest single hope for a self-sufficient agriculture.

LEAD-BASED PAINT POISONING PREVENTION

Mr. KENNEDY, Mr. President, on January 14, 1971, the Lead-Based Paint Poisoning Prevention Act was signed into law. That was the first piece of legislation specifically designed to provide Federal assistance for those who suffer from childhood lead poisoning.

Last year, in hearings on that bill, health officials testified that lead poisoning is a sickness that can be completely avoided. But it has become one more hazard confronting the poor that has received too little attention. Since lead poisoning in children usually results when youngsters who live in dilapidated housing swallow small bits of peeling paint and plaster from the walls most people are unaware of the hazards involved.

Even a mother who sees her child chewing paint chips may not know that her little one can be sickened and perhaps be killed by this poison from the walls. Shamefully, because most of those living in our big-city slums are black or Puerto Rican, and most of the victims are black and Puerto Rican.

If this were a disease of the suburbs, its toll would not be nearly so dreadful.

Mr. President, I worked for approval of the Lead-Based Paint Poisoning Prevention Act because I want to end the needless suffering caused by this insidious disease. As the new chairman of the Senate Health Subcommittee, I am firmly and clearly behind all efforts to provide

NELSON EXHIBIT No. 8

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OF COUNSEL

MURRAY M. CHOTINER

PATRICK J. HILLINGS

MARION EDWIN HARRISON
ERNEST GENE REEVES
ROBERT F. SAGLE
MYRON BOLTER
JUDY R. POTTER

March 19, 1971

MEMORANDUM TO THE HONORABLE JOHN C. WHITAKER

Re: 85% of Parity for Dairy Industry
April 1, 1971

Goal. The dairy industry wanted the Secretary of Agriculture to set parity at \$5.05 per hundredweight, which equals 85% of parity, for the year beginning April 1, 1971.

Attitude of dairy industry. Parity was set at \$4.66, which then equalled 85%, in March 1970, effective April 1, 1970. To continue 85% of parity, it would be necessary to set the dollar price at \$5.05 to compensate for about 6% inflation. The dairy industry is vigorously opposed to cutting the parity ratio and thus wants parity set at \$5.05.

Attitude of Secretary. By statute the Secretary can set parity at any figure which equals from 75% to 90%. Last year Secretary Harkin favored 85%. Budget Director Mayo and others were opposed, on the ground it would cost too much. 85% won out. This year the Secretary leaned strongly against 85%. His reasoning was that (1) continued 85% parity would result in excessive production and (2) if need be for political reasons, parity could be raised back to 85% at a later date.

March 12, 1971 announcement. On March 12 the Secretary set parity for the year beginning April 1 again at \$4.66, which now equals only about 80% of parity. OMB Director Schultz strongly favored keeping \$4.66. The dairy industry reaction has been most unfavorable.

- 2 -

Economic considerations. *This is a political question and requires a political answer.* To more than review economic considerations is dangerous. However, there is no economic problem. USDA's own figures show that total dairy product consumption increased 1.6% during the third quarter 1970 over the third quarter 1969 and increased 0.8% in the fourth quarter 1970 over the fourth quarter 1969. USDA's figures show further that consumption dropped in 1968 and 1969 and then dramatically turned around, rising 0.4% in 1970. Thus, the contention that maintaining 85% of parity would result in over production and decreased consumption is proved erroneous by use of USDA's own figures. In addition, for the past seven years, USDA's figures have had to be adjusted about six months after their publication, the adjustment usually resulting in higher consumption and lower production figures. Hence, the announced increase for the third and fourth quarters of 1970 is very likely actually to be greater when the final figures are analyzed.

Political considerations. Dairy industry leadership has been very materially assisting the Nixon Administration tangibly and intangibly. Farmers voted Democratic in 1970, principally on economic grounds. Since then the Administration was beginning to project a more decisive pro-agriculture image. To reduce parity now is to undo the good which was being done. To reduce parity now and then attempt to increase it effective April 1, 1972 is political dynamite because (1) the purpose would be transparent and (2) the increase at that time would result in a price increase to consumers (which it would not if parity were set at \$5.05 for April 1, 1971 and continued at \$5.05 for April 1, 1972). The increase - if there is to be one - must come, or at least be announced, within the next few weeks. There is strong Democratic support on the Hill, apparently led by Speaker Albert, to legislate 85%. This may be an attempt to sandbag the President, ruining him with dairy farmers if he opposes or vetoes the bill, giving the Democrats credit if he signs it or administratively raises parity. Ironically, until March 12, the dairy industry has gotten from this Administration substantially what it wanted although, unfortunately, always after a vigorous effort.

Conclusion. For political, if no other, reasons, parity must again be set at 85%, even if the President has to do it. The President's name, not the Secretary's, is on the ballot.



MARION EMMETT HARRISON

6716

NELSON EXHIBIT No. 9

SHARON, PIERSON AND SEMMES

CANAL SQUARE

1054 THIRTY-FIRST STREET, N.W.

WASHINGTON, D. C. 20007

(202) 333-4000

JOHN H. SHARON
W. DEVIER PIERSON
THEODORE F.T. CROLIUS
DAVID H. SEMMES
WILLIAM T. FINLEY, JR.
KNOX SEMIS
PETER J. LEVIN
SHELDON E. HOCHBERG

CABLES: "SHERSEM"

March 30, 1971

Mr. Robert O. Isham
Trustee
Trust for Agricultural Political Education
P.O. Box 32287
San Antonio, Texas 78216

Dear Bob:

You have requested our opinion with respect to the legality of a loan by TAPE to another trust which has as its purpose the making of political contributions. As I understand it, the loan would be on an accommodation basis and the borrower would repay the loan in full within the next 180 days.

We are of the opinion that such a loan would be lawful. Although TAPE has taken the status of a political committee, the Corrupt Practices Act does not prohibit a loan to another political committee. However, the loan should be a bona fide transaction and evidenced by a promisory note reflecting the obligation for repayment. In addition, the borrower will be required to report any expenditures for political purposes from the loan proceeds and you may wish to advise them of this fact.

Such a loan does not appear to be reportable by TAPE as a political contribution since, although "expenditures" under the Federal Corrupt Practices Act include loans or advances, the expenditures will not be made by TAPE "for the purpose of influencing or attempting to influence the election of candidates." Rather, the contributions will be made and reported by the borrowing trust. This assumes that the funds are repaid to TAPE in accordance with the note. Of course, any subsequent political contributions by TAPE with the funds would be subject to the normal reporting requirements.

Please advise if we can provide you with any additional information.

Sincerely,



W. DeVier Pierson

RECEIVED APR 5 1971

NELSON EXHIBIT No. 10

April 29, 1971

C

W. DeVier Pierson, Attorney
Sharon, Pierson and Semmes
1100 Seventeenth Street, N. W.
Washington, D. C. 20036

Dear DeVier:

O

William Delano, Trustee for ADEPT, has requested instructions as to the reporting requirements applicable to the \$50,000 loan which ADEPT received from TAPE.

Will you please advise him, and provide me with a copy of the letter.

P

Yours truly,

Robert O. Isham
TRUSTEE

Y

ROI:vp

cc:
H. S. Nelson
William Delano

NELSON EXHIBIT No. 11

FROM THE DESK OF Jane S. Wright

4/1/71

3 P.M.

FROM: Marion Harrison

Don't do anything with the following as there will probably be a name change... will be back in touch in a day or two

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1. Organization of Dedicated Americans.
2. League of Involved Citizens.
3. Association of Metropolitan Washington Residents for Sound Government.
4. Association of Metropolitan Washington Residents for Balanced Transportation Growth.
5. Committee for a Better Nation.
6. Americans United for Honorable End to War.
7. Association of Americans for Honorable Peace.
8. Citizens for Sound Policies at Home and Abroad.
9. Americans United for Sensible Agricultural Policy.
10. Citizens for a Better Environment.
11. Americans for Sound Ecological Policy.
12. Committee for Better Government.
13. Association of Political Activists.
14. Americans Dedicated to Peace.
15. Americans Dedicated to Better Public Administration.
16. Americans United for Better Leadership.
17. Association of Americans for Good Government.
18. League for Concerted Action.
19. Americans United for Economic Recovery.
20. Association for Fair Press.
21. League of Dedicated Voters.
22. Association of Political Volunteers.
23. Committee for Greater Community Involvement.
24. Organization of Community Volunteers.
25. Americans Dedicated to Greater Public Awareness.
26. Americans United for Sound Consumer Policies.

- 27. Americans United for Better Federal Administration.
- ✓ 28. D. C. League of American Volunteers.
- 29. Americans United for Objective Reported.
- 30. Association for Sensible Disarmament.
- 31. Organization of Moderate Americans
- 32. Americans Organized for Political Stability.
- 33. Association of Neighborhood Volunteers.
- 34. League of Citizen Activists.
- 35. Citizens for Better Government.
- 36. Americans United for Honesty in Government.
- 37. Committee for Political Integrity.
- ✓ 38. Americans Dedicated to Peace in the World.
- 39. Americans Dedicated to Stable Growth.
- 40. Americans Dedicated to a Clean Environment.
- ✓ 41. League of Americans for Peace with Honor.
- ✓ 42. Association for an Adequate National Defense.
- 43. Americans United for Political Moderation.
- 44. Americans United for Sensible Politics.
- ✓ 45. D. C. Committee for Effective Government.
- 46. Association for Representative Government.
- 47. Americans United for Responsive Administration.
- 48. Organization of Responsible Americans.
- 49. Organization of Sensible Citizens.
- 50. Americans for Sound Educational Policies.
- ✓ 51. Association of Metropolitan Washington Residents for Better Communities.
- 52. Americans Concerned.

- 53. Supporters of Rational Federal Reorganization.
- 54. D. C. Committee for a Stable Economy.
- 55. Sound Politics Association.
- 56. Committee for Adequate Political Information.
- 57. Organization of Citizen Politicians.
- 58. Association for Peace in the Middle East.
- 59. Association for Peace Through Strength.
- 60. Americans United for Sound Government.
- 61. Americans United for Economy in Government.
- 62. Americans United for Economic Stability.
- 63. Americans United for a Lawful Society.
- 64. Friends of Middle East Stability.
- 65. Committee for Sound Policy in Southeast Asia.
- 66. Committee for Intelligent Withdrawal in Southeast Asia.
- 67. Association for Sound U.S. Involvement in Europe.
- 68. Americans United for Decent Government.
- 69. Association for Concerned Citizens.
- 70. Americans United for an Informed Electorate.
- 71. The Organization of Involved Americans.
- 72. Americans United for Political Awareness.
- 73. Americans United for Political Involvement.
- 74. Americans Participating.
- 75. League of Concerned Conservatives.
- 76. Americans United for a Moral Society.
- 77. Americans Organized for Action.
- 78. Americans Organized for Citizen Activity.

- 79. American Association for Citizen Participation.
- 80. Americans Organized to Preserve Good Government.
- 81. Americans Organized for Sound Fiscal Policy.
- 82. Americans United for Sound Money.
- 83. Americans Dedicated to Sound Economic Growth.
- 84. Association for Sound U.S. Policy in Asia.
- 85. D. C. Committee of Concerned Neighbors.
- 86. D. C. Volunteers.
- 87. Americans Working to Build a Better Community.
- 88. Americans United for Better Federal Planning.
- 89. Association for More Effective Federal Action.
- 90. D. C. Citizens for Community Involvement.
- 91. D. C. Stable Government Society.
- 92. Association for Preservation of Basic American Ideals.
- 93. Association for Preservation of Sound Political Ideals.
- 94. Committee for a Better America.
- 95. Supporters of the American Dream.
- 96. Americans Involved.
- 97. Association for Progressive Policy in Latin America.
- 98. Americans United for Peace in the Carribean.
- 99. Association of Involved Volunteers.
- 100. Americans for the Preservation of a Decent Society.
- 101. The League of Mature Americans.

NELSON EXHIBIT No. 12

LAW OFFICES

REEVES & HARRISON

SUITE 500

1701 PENNSYLVANIA AVENUE, N. W.

WASHINGTON, D. C. 20006

TELEPHONE 202 298-8030

TELEX 440376 CRDK

CABLE "REEVLAW"

OF COUNSEL

MURRAY M. CHODNER

PATRICK J. HILLINGS

MARION EDWYN HARRISON

ERNEST GENE REEVES

ROBERT F. SAGLE

MYRON SOLTER

JUDY R. POTTER

June 29, 1971

Harold S. Nelson, Esq.
 General Manager
 Associated Milk Producers, Inc.
 GPM Building, Fourth Floor
 San Antonio, Texas 78216

Re: Contributions

Dear Harold:

Do you think Bob Isham or somebody can move fairly fast on the 25 checks discussed in my letter to you of June 16? The people on the other side of the fence took forever and a day to get us the addresses of the committees but inasmuch as we have had the names of the committees for several months, it might be good politics to move fast.

We enclose a list of 24 more committees, in the same format as the original 25. All 24 are from the list I originally gave you. In sequence, beginning with the first page, the committees as they correspond to that list are #20, 26, 29, 34, 35, 36, 37, 39, 40, 43, 44, 46, 47, 48, 49, 50, 51, 53, 54, 56, 57, 60, 61 and 62.

If it would delay getting in the original 25 to add these 24, I would suggest we move on the original 25 forthwith and then take up these 24 in due course.

Sincerely,



MARION EDWYN HARRISON

MEH:ek

Enclosure

Association for Fair Press

Chairman: Muriel Quinones
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: William L. Ritchie
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Association of Political Volunteers

Chairman: Harold Smith
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Eleanor P. Ritchie
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Americans United for Sound Consumer Policies

Chairman: Ralph E. Hawes
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Louise L. Ritchie
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Americans United for Objective Reporting

Chairman: Linda Barnhill
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Paul L. O'Brien
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

League of Citizen Activists

Chairman: William Louden
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

520

Treasurer: Arthur A. Birney
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Citizens for Better Government

Chairman: H. L. Wathen
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

321

Treasurer: William J. Butler, Jr.
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Americans United for Honesty in Government

Chairman: Bill Emerson
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

522

Treasurer: W. Frank Stickle, Jr.
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Committee for Political Integrity

Chairman: Herman F. Scheurer, Jr.
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

523

Treasurer: Robert Lee O'Brien
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Americans Dedicated to Stable Growth 524

Chairman: Paul Wagner
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Bradford M. Patterson
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans Dedicated to Clean Environment 525

Chairman: Harold Rivera
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Robert K. Stuart
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

American United for Political Moderation 526

Chairman: Dorothy L. Hunt
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Foster W. Terrell
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Sensible Politics 527

Chairman: Martin Sorkin
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Jonathan H. Laslay
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

- 4 -

Association for Representative Government

Chairman: Sally Sorkin
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Annette G. Laslay
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Responsive Administration

Chairman: Jay Glassman
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Betty Bruce Bowersock
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Organization of Responsible Americans

Chairman: Rose F. Kobylinski
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Jack D. Neal, Jr.
Union Trust Company
15th and H Streets, N.W.
Washington, D. C.

Organization of Sensible Citizens

Chairman: Elizabeth Mitchell
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Claudia H. Neal
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans for Sound Educational Policies

Chairman: G. Morgan
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Everett E. Revercomb
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans Concerned

Chairman: Edward L. McQueen
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Lynda J. Revercomb
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Supporters of Rational Federal Reorganization

Chairman: J. R. Locher
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: William K. Scott
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Sound Politics Association

Chairman: Jo Ella McQueen
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Elfriede L. Scott
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Committee for Adequate Political Information 506

Chairman: Vincent Pepper
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: F. E. Walter
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Organization of Citizen Politicians 524

Chairman: Shirlene Glassman
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Julia M. Walter
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Sound Government 248

Chairman: Michael X. Dolan
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Hester A. Naylor
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Economy in Government 281

Chairman: Edward Dingevan
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Philip H. Watts
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Economic Stability 540

Chairman: Robert F. Bennett
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Margaret T. Booth
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

NELSON EXHIBIT No. 13

LAW OFFICES
REEVES & HARRISON
SUITE 5001701 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D. C. 20006TELEPHONE 202 298-9030
TELEX 440376 CHDK
CABLE "REEVLAW"MARION EDWYN HARRISON
ERNEST GENE REEVES
ROBERT F. SAGLE
MYRON SOLTER
JUDY R. POTTEROF COUNSEL
PATRICK J. HILLINGS
WM. MONTGOMERY SMITH

July 8, 1971

Mr. Robert O. Isham, Trustee
The Trust for Agricultural
Political Education
Box 32287
San Antonio, Texas 78216

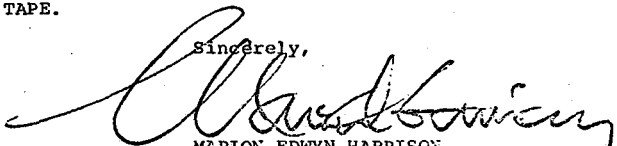
Dear Mr. Isham:

We are of the professional opinion that the committees named in the attached lists are bona fide political committees now complying with applicable state and federal statutes and regulations.

We have reviewed that certain Trust Agreement dated February 2, 1969, which establishes the Trust for Agricultural Political Education (hereinafter, "TAPE"). We opine that any contributions by TAPE to the committees named in the attached lists would be in accordance with the requirements and purposes outlined in said Trust Agreement.

We are assured that disbursements from each of the listed committees to any other entity will be made solely for the purpose of re-electing the President and will be in sums at least equal to the contributions received from TAPE.

Sincerely,



MARION EDWYN HARRISON

MEH:ek
Enclosures

RECEIVED JUL 12 1971

\$2500. cash

C.E. 42

Americans Dedicated to Better Public Administration:

Chairman: Robert E. Lee
1000 Connecticut Avenue, N.W.
Washington, D.C.

491

Treasurer: Vera Iden
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Association of Americans for Good Government:

Chairman: Leonard J. Bonner
1420 New York Avenue
Washington, D.C. 20005

492

Treasurer: Rosemary Hutchinson
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

League for Concerted Action:

Chairman: Maurice S. Williams
2104 Orchard Place
Landover, Maryland 20795

493

Treasurer: J. D. Bowersock
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

League of Dedicated Voters:

Chairman: Mrs. Inga Tarr
2148 Georgian Woods Place
Silver Spring, Maryland

494

Treasurer: Kenneth A. Williams
Union Trust Building
Washington, D.C.

Association of Political Volunteers:

Chairman: Harold Smith
1420 New York Avenue
Washington, D.C. 20005

495

Treasurer: August Zinsser
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Organization of Community Volunteers:

Chairman: Mrs. Fredric Tower
8033 Herb Farm Drive
Bethesda, Maryland 20030

496

Treasurer: Paul M. Carden
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Americans Dedicated to Greater Public Awareness:

Chairman: John M. Quick
10134 Little Pond Drive
Gaithersburg, Maryland 20760

497

Treasurer: Wilbur Biggs
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Americans United for Better Federal Administration:

Chairman: Mrs. John M. Quick
10134 Little Pond Drive
Gaithersburg, Maryland 20760

498

Treasurer: Richard Barrett
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Association for Sensible Disarmament:

Chairman: Kathryn Beck
6609 Hillendale Road
Chevy Chase, Maryland 20015

499

Treasurer: James Shank
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Organization of Moderate Americans:

Chairman: Mr. John Packard
1840 14th Street, N.W.
Washington, D.C.

500

Treasurer: Stephen D. Kozma
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Americans Organized for Political Stability:

Chairman: W. Carter Bowles
10100 Bencross Drive
Potomac, Maryland 20854

501

Treasurer: Gordon Silcox
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Association of Neighborhood Volunteers:

Chairman: Maston M. Jacks
1451 Aldenham Lane
Reston, Virginia 22070

502

Treasurer: Jackson Ritchie
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Citizens for More Effective Community Involvement:

Chairman: John L. Kilcullen
1250 Connecticut Avenue, NW
Washington, D.C.

503

Treasurer: J. G. Addison
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Americans Dedicated to Support of Democracy:

Chairman: Jerome Powell
1250 Connecticut Avenue
Washington, D.C.

504

Treasurer: Susan Kuhn
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Organization of Dedicated Americans:

Chairman: David L. [unclear]
1420 New Avenue
Washington, D.C.

Treasurer: Harriet Ann Pals
Union Trust Building
15th and H Streets, NW
Washington, D.C.

505

League of Involved Citizens:

Chairman: Jordan S. Himelfarb
1420 New York Avenue
Washington, D.C.

Treasurer: Clifford C. Caslow
Union Trust Building
15th and H Streets, NW
Washington, D.C.

506

Committee for a Better Nation:

Chairman: Sampson P. Holland
1809 Varnum Street, N.W.
Washington, D.C.

Treasurer: Brainard H. Warner III
Union Trust Building
15th and H Streets, NW
Washington, D.C.

507

Citizens for Sound Policies at Home and Abroad:

Chairman: Harold Loure
Woodward Building
Washington, D.C.

Treasurer: Beedy T. Ritchie
Union Trust Building
15th and H Streets, NW
Washington, D.C.

508

Americans United for Sensible Agricultural Policy:

Chairman: Calvin D. Johnson
2121 Wisconsin Avenue, NW
Washington, D.C. 20007

Treasurer: Mildred J. Warner
Union Trust Building
15th and H Streets, NW
Washington, D.C.

509

Citizens for a Better Environment:

Chairman: Edward M. Feggans
2504 South Dakota Avenue, N.E.
Washington, D.C.

510

Treasurer: James M. Haynes, Jr.
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Americans for Sound Ecological Policy:

Chairman: Walter C. Barber
1000 Connecticut Avenue, N.W.
Washington, D.C.

511

Treasurer: Thomas L. Anglin
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Committee for Better Government:

Chairman: Peter R. Taylor
108 Mimosa Lane
Silver Spring, Maryland 20904

512

Treasurer: James M. Johnston, III
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Association of Political Activists:

Chairman: Charles G. Botsford
1730 M Street, N.W.
Washington, D.C. 20036

513

Treasurer: Irma M. Orpin
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Americans Dedicated to Peace:

Chairman: Rose M. Botsford
1730 M Street, N.W.
Washington, D.C.

514

Treasurer: Julian Gillespie
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Americans United for Better Leadership:

Chairman: Ozra Y. Feggans
128 Kennedy Street, N.W.
Washington, D.C. 20011

515

Treasurer: John W. Maxwell
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Association for Fair Press

Chairman: Muriel Quinones
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: William L. Ritchie
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

516

Association of Political Volunteers

Chairman: Harold Smith
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Eleanor P. Ritchie
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

517

Americans United for Sound Consumer Policies

Chairman: Ralph E. Hawes
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Louise L. Ritchie
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

518

Americans United for Objective Reporting

Chairman: Linda Barnhill
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Paul L. O'Brien
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

519

League of Citizen Activists

520

Chairman: William Louden
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Arthur A. Birney
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Citizens for Better Government

521

Chairman: H. L. Wathen
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: William J. Butler, Jr.
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Honesty in Government

522

Chairman: Bill Emerson
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: W. Frank Stickle, Jr.
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Committee for Political Integrity

523

Chairman: Herman F. Scheurer, Jr.
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Robert Lee O'Brien
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans Dedicated to Stable Growth 524

Chairman: Paul Wagner
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Bradford M. Patterson
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans Dedicated to Clean Environment 525

Chairman: Harold Rivera
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Robert K. Stuart
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

American United for Political Moderation 526

Chairman: Dorothy L. Hunt
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Foster W. Terrell
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Sensible Politics 527

Chairman: Martin Sorkin
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Jonathan H. Laslay
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Association for Representative Government 528

Chairman: Sally Sorkin
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Annette G. Laslay
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans United for Responsive Administration 529

Chairman: Jay Glassman
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Betty Bruce Bowersock
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Organization of Responsible Americans 530

Chairman: Rose F. Kobylinski
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Jack D. Neal, Jr.
Union Trust Company
15th and H Streets, N.W.
Washington, D. C.

Organization of Sensible Citizens 531

Chairman: Elizabeth Mitchell
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Claudia H. Neal
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans for Sound Educational Policies

Chairman: G. Morgan
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Everett E. Revercomb
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Americans Concerned

Chairman: Edward L. McQueen
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Lynda J. Revercomb
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Supporters of Rational Federal Reorganization

Chairman: J. R. Locher
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: William K. Scott
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Sound Politics Association

Chairman: Jo Ella McQueen
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Treasurer: Elfriede L. Scott
Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

Committee for Adequate Political Information

536

Chairman: Vincent Pepper
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: F. E. Walter
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Organization of Citizen Politicians

537

Chairman: Shirlene Glassman
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Julia M. Walter
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Americans United for Sound Government

538

Chairman: Michael X. Dolan
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Hester A. Naylor
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Americans United for Economy in Government

539

Chairman: Edward Dingevan
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Philip H. Watts
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Americans United for Economic Stability

540

Chairman: Robert F. Bennett
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

Treasurer: Margaret T. Booth
 Union Trust Building
 15th and H Streets, N.W.
 Washington, D. C.

NELSON EXHIBIT No. 14

October 4, 1971

Mr. Marion E. Harrison
Reeves & Harrison Law Offices
Suite 500
1701 Pennsylvania Avenue N. W.
Washington, D. C. 20006

Dear Marion:

Enclosed are copies of correspondence from W. Pat Jennings, Clerk, U. S. House of Representatives regarding our contribution to Americans Organized for Political Stability. I am also enclosing a copy of the cancelled check paid to this committee and a copy of our receipt. Will you please advise me immediately as to what action T.A.P.E. should take in this matter.

Yours truly,

Robert O. Isham
Trustee

ROI:vp

(Enclosures)

cc:
H. S. Nelson
B. A. Lilly
Dave Parr

COVINGTON & BURLING

888 SIXTEENTH STREET, N.W.

WASHINGTON, D.C. 20076

TELEPHONE
(202) 263-3700TWX 222-065-0873
TELEX 69-503
CABLE COVING

September 27, 1971

The Honorable W. Pat Jennings
Clerk of the House of
Representatives
Washington, D.C. 20515

Re: Americans Organized for
Political Stability

Dear Mr. Jennings:

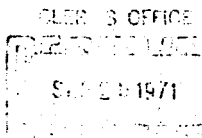
According to a story on the first page of this morning's Washington Post, a political committee entitled Americans Organized For Political Stability has reported receiving from The Trust for Agricultural Political Education, San Antonio, Texas, a contribution of \$2,500 sent to 10100 Bencross Drive, Potomac, Maryland, my home address.

No contribution, check or other form of money has ever been received from or on behalf of any person or organization by any member of my household or me for or on behalf of Americans Organized for Political Stability. The use of my address by said committee is wholly unauthorized.

Let your records indicate that no member of my household nor I is a founder, member, officer, employee nor is in any way associated with Americans Organized for Political Stability. No member of my household nor I know or know of any persons who are associated with said committee in any way.

Respectfully submitted,

W. Carter Bowles, Jr.
W. Carter Bowles, Jr.



Office of the Clerk
U.S. House of Representatives
Washington, D.C. 20515

September 28, 1971

Mr. W. Carter Bowles, Jr.
Covington & Burling
888 Sixteenth Street, N.W.
Washington, D. C. 20006

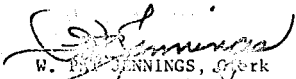
Dear Mr. Bowles:

This is to acknowledge receipt of your letter of September 27, 1971, concerning an alleged contribution of \$2500.00 made by The Trust for Agricultural Political Education, San Antonio, Texas, to American's Organized for Political Stability.

Your letter has been made part of the file of The Trust for Agricultural Political Education available for public inspection.

With kindest regards, I am

Sincerely,


W. B. JENNINGS, Clerk
U. S. House of Representatives

W. Pat Jennings
Clerk

Office of the Clerk
U.S. House of Representatives
Washington, D.C. 20515
September 28, 1971

Mr. Robert O. Isham
Treasurer and Trustee
The Trust for Agricultural
Political Education
Post Office Box 32287
San Antonio, Texas 78284

Dear Mr. Isham:

This is to advise you that on this date the Clerk received the attached letter from Mr. W. Carter Bowles, Jr., dated September 27, 1971, concerning an allegation against The Trust for Agricultural Political Education, and it has been made part of the file available for public inspection.

For your information I am also attaching a copy of the Clerk's letter acknowledging receipt to Mr. Bowles also of this date.

With kindest regards, I am

Sincerely yours,

RECEIVED OCT 4 1971

W. Pat Jennings
W. PAT JENNINGS, Clerk
U. S. House of Representatives

Attachments

Office of the Clerk
House of Representatives
Washington, D.C. 20515

W. Pat Jennings
CLERK, U.S. HOUSE OF REPRESENTATIVES

NO FURTHER ACTION REQUIRED

REGISTERED
458584

Mr. Robert O. Isham
Treasurer and Trustee
The Trust for Agricultural
Political Education
Post Office Box 32287
San Antonio, Texas 78284

RECEIPT

TRUST FOR AGRICULTURAL POLITICAL EDUCATION

As Treasurer of Americans Organized for Political Stability,

I acknowledge receipt of check number 501 in the amount of \$2,500.00
and dated July 9, 1971. The funds represented by this check
will be used for no other purpose than to support candidates for Federal
offices.

I also certify that Americans Organized for Political Stability
is a bona fide political committee operating in compliance with all
applicable state and federal statutes and regulations.

8-19-71
Date

Americans Organized for Political Stability
Committee

Gordon. S. Miller
Treasurer

UNION TRUST COMPANY
Address OF THE DISTRICT OF COLUMBIA

LAW OFFICES

REEVES & HARRISON

SUITE 500

1701 PENNSYLVANIA AVENUE, N. W.

WASHINGTON, D. C. 20006

TELEPHONE 202 298-9030

TELEX 440376 CRDK

CABLE "REEVLAW"

MARION EDWYN HARRISON

ERNEST GENE REEVES

ROBERT F. SAGLE

MYRON SOLTER

CHARLES EMMET LUCEY

JUDY R. POTTER

OF COUNSEL

MURRAY M. CHOTINER

PATRICK J. WILLINGS

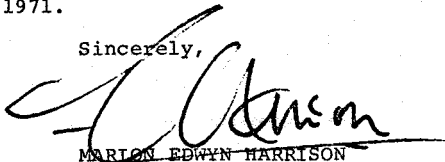
November 24, 1971

Mr. Robert O. Isham, Trustee
 Trust for Agricultural Political Education
 P. O. Box 32287
 San Antonio, Texas 78216

Dear Mr. Isham:

The enclosed photocopies of letters dated November 5 and 15 solve the problem about which you wrote me on October 18, 1971.

Sincerely,



MARION EDWYN HARRISON

MEH:ek

Enclosures

November 5, 1971

The Honorable W. Pat Jennings
Clerk
House of Representatives, U. S.
Washington, D. C. 20515

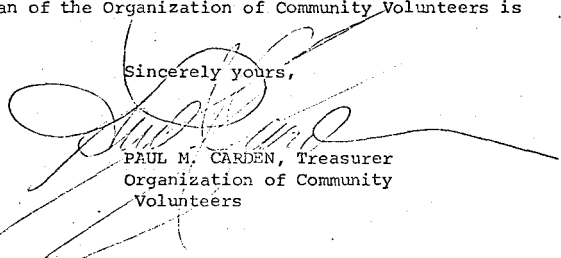
Dear Mr. Jennings:

I have received a copy of your correspondence relating to the Organization of Community Volunteers.

On August 19, 1971, the Organization of Community Volunteers, 15th and H Streets, N.W., Washington, D. C., received a contribution of \$2,500.00 from the Trust for Agricultural Political Education. As Treasurer of the Organization of Community Volunteers I deposited this contribution to its account.

The Chairman of the Organization of Community Volunteers is William Emerson.

Sincerely yours,


PAUL M. CARDEN, Treasurer
Organization of Community
Volunteers

Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

RECEIVED NOV 29 1971

6749

Union Trust Building
15th and H Streets, N.W.
Washington, D. C.

November 15, 1971

Mr. W. Pat Jennings, Clerk
U. S. House of Representatives
Washington, D. C. 20515

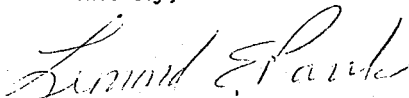
Dear Mr. Jennings:

I am the successor treasurer for the committee known as the Americans Organized for Political Stability. As such, I am in receipt of correspondence relating to this Committee forwarded to me by the Trustee of the Trust for Agricultural Political Education (TAPE).

I have investigated the subject of the correspondence and can verify that on August 19, 1971, a contribution in the amount of \$2,500 was received from TAPE. This amount was deposited on that date to the account of the Committee.

I can advise that the Chairman of Americans Organized for Political stability is Elmira C. Carmon.

Sincerely,


Treasurer, Leonard E. Pasek
Americans Organized for
Political Stability

NELSON EXHIBIT No. 15

May 19, 1971

TO: Mr. Harold Nelson

65 V 1

Subject: Washington Discussions, May 13

247600

I set out herewith the matters discussed with Assistant Secretary Iyng and Assistant Secretary Palmby. I asked no questions and made no suggestions. The sequence of subject matter is theirs.

1. They reported the action taken on May 13 with respect to exports of butter. They believe that the United Kingdom might take as much as 25-million pounds. They intended to remain totally flexible in response to the initial set of tenders. They also said that they might be able to ship some butter into the Continent as well. Full understanding was reported to have been reached with New Zealand and Australia. However, they expect this to be a short-term or a one-shot activity. They are not sure with respect to the declining productive capacity in New Zealand. Similarly, they have conflicting reports with respect to declining production in Europe. Generally, they seem to think that there would be a return to higher level of production in both areas.
2. Mr. Palmby then asked a series of questions seeking my personal opinion with respect to the likely duration of need for import quotas and for price supports. Specifying the response as purely personal and based largely on intuition, I told them that I saw no present possibilities for termination of import quotas or of price supports either. They asked if I were Secretary if I would be required to continue these. I said yes. Both of them seemed to agree that they could not be relieved of these programs during their tenure.

PXA

LMF

11-29-72

3. Reference was made to Mr. Nelson's statement to the President that the dairy industry now had through Class I base plans and its own cooperative organizations the means to control supply. They questioned whether this was accurate. They said they would like to know currently as time passes what in fact is being done by the cooperatives to contain production within tonable limits. 6.5 U 2
4. ✓ Reference is made to alleged boasting and bragging by people affiliated with AMPI after the reversal of the price support decision. I responded that this clearly was not the policy of the officers or management nor had any such statements been made. They seemed to consider that to be required to reverse themselves was a necessary hazard of political life. They did, however, emphasize their beliefs that our people should not rub it in. I do not know the facts of this matter.
5. Next, they questioned me exhaustively with respect to the findings on the European trip. They were fully aware of what I was doing. They were especially interested in reactions in each of the countries to protection against dairy imports. They also asked with respect to possibilities of exportation of dairy products and how long I thought such market openings might exist.
6. They then referred to adverse comments with respect to the Press facilities and functions of AMPI. They made special reference to the Secretary's displeasure at the absence of what he considered appropriate facilities and Press treatment at the Chicago convention. I told them, quite honestly, that I was again not aware of the facts.
7. Reference was made, at first in unfavorable terms, to alleged manipulation of the cheese market price. To this I responded quite definitely that I saw nothing particularly wrong at all and Associated was quite reasonable in what had been done in cheese. I also

7. (continued)

pointed out that it was never a model of competitive marketing practices. They then retreated by merely saying that we should not have made quite so much noise, as they put it, about what we were doing.

8. There then follows a long and candid set of statements which amounted to a general declaration of general good will toward AMPI. My own reaction is that this was honestly intended. While the declaration of good will may not reflect personal attitudes, it does seem to have become a department-wide policy. We should discuss this issue.

9. Reference was made to the impossibility of direct and effective collaboration with certain of the opponents of the Department at lower administrative levels in the Secretary's office. The Secretary's office considered that not much if anything could be done about this. They therefore reiterated their viewpoint that we should find systematic bases for discussion of matters of mutual interest with people in the Secretary's office.

10. Work is underway for ultimate presentation of an economic formula basis for pricing. We should discuss this also.

11. Similar reference was made with respect to base plans. Mr. Lyng indicated that he himself had in the past worked with such plans. He reiterated his statement that decisions of this sort, as well as those with respect to pricing formulas, were being made by him. He was particularly anxious that we talk over base plan procedures with him.

12. The initial reference to premium pricing at above-order levels was somewhat derogatory in tone. However, as discussion proceeded, they agreed that they were seeking different pricing bases because the present operational basis of price fixing under the orders was not adequate. They seemed to be somewhat

12. (continued)

irritated at above-order prices but can give no specific bases for objections. Implicitly at least, they seem to believe that given effective formula pricing, the necessities for negotiation of above-order prices might well be lessened.

13. The Assistant Secretary did not seem to consider that much could be expected from a bargaining bill. However, their attitude was affirmative, if somewhat pallid. On the contrary, the Farmers Cooperative Service apparently wishes to muster support for its bill.
14. Knowing that I planned to see the Administrator of the Farmers Cooperative Service on Friday afternoon, he was called to the Secretary's office that morning. In general, his attitude was affirmative and helpful. He had apparently been advised that office space and stenographic assistance should be made available whenever we are in Washington. Reference was made to possible conflict and means for resolution thereof between such cooperatives as AMPI and others which were primarily in the operating end.
15. No reference was made by Assistant Secretary Lyng or Assistant Secretary Palmby to the proposals for suspension or termination pooling and diversion provisions in the selected order area. However, the Administrator of the Farmers Cooperative Service, after his talk in the head office, indicated quite directly that if we sat still for at least a few days, there would probably be appropriate resolution of what the Department now considers to have been a mistake.

My reaction is a fairly firm opinion that the Department has now decided to work with us. After talking with Messrs. Palmby and Lyng, I spent some twenty minutes in the patio with the Secretary. Again, the reception was gracious and the tone of the conversation was warm. Purely as a guess, I suspect that the means for resolution of the price support controversy has impressed the Department. I get the feeling that Department officers have been instructed to cooperate with us. Accordingly, I have agreed periodically to discuss specific interests of AMPI with them.

George I. Mehren

NELSON EXHIBIT No. 16

SOUTHWESTERN BELL TELEPHONE COMPANY LONG DISTANCE SERVICE							
TELEPHONE NUMBER	MO.	DAY	PLACE CALLED	AREA	NUMBER	AMOUNT	
244 8557	2	23	SAN ANTONIO TEX				
			FROM MEX MEX				5 53
	*	3	13 NEWBRNFELS TEX	512	625 4054		77
	*	3	13 AUSTIN TEX	512	465 5073		1 96
	*	3	14 SEGUIN TEX	512	379 5628		38
		3	15 SANANTONIO TEX	512	344 8557		
			FROM WASH DC	202	785 1000		1 30
		3	16 SANANTONIO TEX	512	344 8557		
			FROM WASH DC	202	785 1000		2 90
	*	3	17 LAKEFOREST ILL	312	234 3417		3 50
	*	3	20 NEWBRNFELS TEX	512	625 4054		11
	*	3	20 HOUSTON TEX	713	772 4385		90
	*	3	20 LOUISVILLE KY	502	589 4120		1 15
	*	3	20 HOUSTON TEX	713	861 3123		1 07
		3	20 HOUSTON TEX	713	861 3123		
			FROM SANANT TX	512	344 8557		1 00
	*	3	22 HOUSTON TEX	713	526 6413		80
	*	3	22 LOUISVILLE KY	502	589 4120		4 30
	*	3	23 RLOXI MIS	601	388 2211		1 00
	*	3	23 NEWBRNFELS TEX	512	625 4054		38
	*	3	23 STERLINGCY TEX	915	378 2084		83
	*	3	26 NEWBRNFELS TEX	512	625 4054		30
	*	3	26 NEWBRNFELS TEX	512	625 4054		30
	*	3	27 NEWBRNFELS TEX	512	625 4054		38
	*	3	27 SPRINGFLD MO	417	862 7071		1 00
	*	3	29 BRITTON OKL	405	843 0781		6 80

TELEPHONE NUMBER	MO.	DAY	PLACE CALLED	AREA	NUMBER	AMOUNT	
244 3557	3	30	NEWBRNFELS TEX	512	625 4054		1 33
	*	4	01 AUSTIN TEX	512	476 2544		1 10
	*	4	01 PITTSBURG KAN	316	231 2790		2 90
	*	4	02 PITTSBURG KAN	316	231 5843		1 55
	*	4	02 MARSHFIELD MO	417	468 3775		80
	*	4	03 LOUISVILLE KY	502	589 4120		25
	*	4	03 LOUISVILLE KY	502	893 7669		25
	*	4	03 LOUISVILLE KY	502	589 4120		25
	*	4	03 NEWBRNFELS TEX	512	625 4054		38
	*	4	03 AUSTIN TEX	512	472 1131		1 03
	*	4	03 SPRINGFLD MO	417	862 7071		1 00
	*	4	03 AUSTIN TEX	512	472 1131		1 54
	*	4	03 CHICAGO ILL	312	693 5000		1 15
	*	4	03 CHICAGO ILL	312	693 5800		1 50
	*	4	03 NEWBRNFELS TEX	512	625 4054		60
	*	4	03 AUSTIN TEX	512	476 2544		56
	*	4	04 AUSTIN TEX	512	472 1131		1 71
	*	4	04 AUSTIN TEX	512	471 1131		52
	*	4	04 AUSTIN TEX	512	472 1131		86
	*	4	05 NEWBRNFELS TEX	512	625 4054		38
	*	4	05 AUSTIN TEX	512	472 1131		52
	*	4	05 LOUISVILLE KY	502	584 8123		1 50
	*	4	05 LOUISVILLE KY	502	584 8123		1 50
	*	4	05 AUSTIN TEX	512	472 1131		52
	*	4	05 AUSTIN TEX	512	452 8821		52
	*	4	06 NEWBRNFELS TEX	512	625 2810		1 16

TELEPHONE NUMBER	MO.	DAY	PLACE CALLED	AREA	NUMBER	AMOUNT	
244 3557	3	4	06 MIAMI FLA	305	873 2935		1 15
	*	4	06 MIAMI FLA	305	873 2415		1 15
	*	4	06 MIAMI FLA	305	873 2935		6 75
	*	4	06 DALLAS TEX	214	748 6211		
			FROM SANANT TX	512	826 9772		1 20
		4	07 SANANTONIO TEX	512	344 8557		
			FROM DALLAS TX	214	748 6211		1 20
		4	07 WASHINGTON DC	202	872 1600		
			FROM DALLAS TX	214	748 6211		2 65
	*	4	08 ARLINGTON TEX	817	274 2932		1 04
	*	4	10 NEWBRNFELS TEX	512	625 4054		38
	*	4	11 NEWBRNFELS TEX	512	625 4054		38
	*	4	11 AUSTIN TEX	512	476 2544		84
	*	4	11 NEWBRNFELS TEX	512	625 4054		30
	*	4	12 AUSTIN TEX	512	472 1131		86
	*	4	12 NEWBRNFELS TEX	512	625 4054		38
	*	4	12 NEWBRNFELS TEX	512	625 4054		38
			US TAX		7.97 TOTAL		87 62

THURSDAY, DECEMBER 20, 1973

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 5:30 p.m., in room G-334, Dirksen Senate Office Building.

Present: Senator Joseph M. Montoya (presiding).

Also present: Alan Weitz, assistant majority counsel, and Donald Sanders, deputy minority counsel.

Mr. WEITZ. Mr. Parr is here for an executive session, and we would appreciate it if you will swear him in.

Senator MONTOYA. Will you please state your name for the record.

Mr. PARR. David L. Parr.

Senator MONTOYA. Do you solemnly swear that the testimony that you are about to give will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. PARR. Yes.

Senator MONTOYA. Fine.

Mr. WEITZ. Mr. Parr, for the record would you please state your address?

TESTIMONY OF DAVID L. PARR, ACCOMPANIED BY FRED GIBSON,
COUNSEL

Mr. PARR. 2605 Justin Matthews Drive, North Little Rock, Ark.

Mr. WEITZ. And would your counsel please identify himself for the record?

Mr. GIBSON. Yes. Fred Gibson, 1700 Pennsylvania Avenue, Washington, D.C.

Mr. WEITZ. Mr. Parr, where are you presently employed?

Mr. PARR. Dairymen, Inc.

Mr. WEITZ. And what is your position there?

Mr. PARR. Staff adviser.

Mr. WEITZ. How long have you been employed by Dairymen, Inc.

Mr. PARR. Since March of 1972.

Mr. WEITZ. Could you tell us for the previous 10-year period your positions of employment, or if you want to start earlier if there is a convenient breaking point?

Mr. PARR. I was manager of Central Arkansas Milk Producers Association in Little Rock, Ark., from August 1953 until September 1967, I believe. And then I was division manager of Milk Producers, Inc. from 1967 to 1969, and I was on the staff of Associated Milk Producers from 1969 to my present employment.

Mr. WEITZ. Until 1972?

Mr. PARR. Yes, sir.

Mr. WEITZ. What were your responsibilities, first at MPI, Milk Producers, Inc., and then at AMPI, Associated Milk Producers?

Mr. PARR. I was involved in getting the consolidations in all the problems, and the consolidation uniformity of the organization. I was involved in politics. I was involved in promotion. I was involved in lots of country meetings.

Mr. WEITZ. What was the nature of the country meetings?

Mr. PARR. District meetings on membership.

Mr. WEITZ. Who worked with you? Who were the other principal employees in Little Rock?

You were stationed in Little Rock the whole period of time?

Mr. PARR. Yes, sir.

Mr. WEITZ. And who were your principal employees?

Mr. PARR. Kieffer Howard, Forest Wisdom, Tom Townsend, Joe Murphy, Lynn Elrod.

Mr. WEITZ. Did Bob Justice work for you?

Mr. PARR. Yes, sir.

Mr. WEITZ. I've heard a number of times people working with you referred to as the "think-tank." I have also heard other references to them, but have you ever heard that term, and, if so, who constituted the think-tank in Little Rock?

Mr. PARR. Yes. Mr. Murphy and Mr. Elrod and Mr. Townsend.

Mr. WEITZ. Did that refer to the agricultural economists there who worked up position papers and so forth?

Mr. PARR. Yes.

Mr. WEITZ. Now, you refer to one of your areas of responsibility as that of politics.

Mr. PARR. Yes.

Mr. WEITZ. Could you expand on that, what that included?

Mr. PARR. That included the TAPE program, which I believe was started in, sometime in early 1969, and getting people to go out to visit with individual farmers to sign up for the TAPE program, and visiting with the Department of Agriculture, government officials in Washington and some States.

Mr. WEITZ. Do you know Bob Lilly?

Mr. PARR. Yes, sir.

Mr. WEITZ. Let me show you what I will identify, I will mark as exhibit No. 1 for your identification.

[Whereupon, the document referred to was marked Parr exhibit No. 1 for identification.*]

Mr. WEITZ. It is a letter, dated June 12, 1968, from you to Mr. Harold Nelson. Do you recall that letter?

Mr. PARR. Yes.

Mr. WEITZ. Now, in the letter you refer to various assignments, and one of the areas that you list is politics, and you list Parr and Lilly. Now, I'm not interested in—this is again by way of background. Our mandate does not go back to 1968. But by way of background, coming forward, let's say at MPI and particularly at AMPI, did you work closely on political matters, as you have described, with Mr. Lilly?

Mr. PARR. No, not in a matter of closeness. Mr. Lilly had been experienced in Texas politics, it was my understanding, and he had considerable experience in the Texas Legislature. But during the course

*See p. 6907.

of working, Mr. Lilly and I were of course together on occasion, but day-to-day operations we were not.

Mr. WEITZ. In terms of day-to-day operations or other significant areas?

Well in general, first of all, you were responsible, you reported to Mr. Nelson?

Mr. PARR. Yes.

Mr. WEITZ. Throughout your employment both at MPI and then at AMPI?

Mr. PARR. Yes.

Mr. WEITZ. Well, your position, I understand, at AMPI was special counsel to the general manager, Mr. Nelson. Is that right?

Mr. PARR. Yes.

Mr. WEITZ. Did you as a general matter involve yourself or have contact with most of the principal areas of activity in which Mr. Nelson engaged?

In other words, were your activities approximately as or nearly as broad as those of Mr. Nelson?

Mr. PARR. Well, it is a very difficult question to answer. I was with him a lot, but then I went other places Mr. Nelson did not go. So I do not know how to really describe it.

Mr. WEITZ. But you might deal with a number of areas which Mr. Nelson dealt with and you had a lot of contact with him?

Mr. PARR. Yes, I had a lot of contact with him.

Mr. WEITZ. Now, you mentioned the TAPE, program. When was TAPE formed?

Mr. PARR. I believe in 1969.

Mr. WEITZ. And who was principally responsible at AMPI for its formation?

Mr. PARR. I would say Mr. Nelson and myself.

Mr. WEITZ. Did you or Mr. Nelson discuss the matter with anyone else—for example, any attorneys—for AMPI to receive any type of legal advice or political advice?

Mr. PARR. Yes, I think we visited with Jake Jacobsen.

Mr. WEITZ. What type of advice did you ask for or did you receive?

Mr. PARR. How to set it up, the types of papers that needed to be filed, and the paperwork on it.

Mr. WEITZ. Did you consult with anyone else outside of AMPI, including other attorneys or consultants?

Mr. PARR. I do not recall. I am sure we did, but I don't know how we did it.

Mr. WEITZ. Do you remember any discussions with DeVier Pierson?

Mr. PARR. Yes, I believe we did.

Mr. WEITZ. Was he then an attorney for AMPI?

Mr. PARR. I don't know exactly what time of year he worked for us, but it was sometime. I know DeVier had worked on that, yes. But I don't know at what period of time.

Mr. WEITZ. What about Richard Maguire? You consulted with him?

Mr. PARR. Yes.

Mr. WEITZ. Did he introduce you to anyone, or give you information about similar organizations?

Mr. PARR. I don't remember, Mr. Weitz. I don't remember the details. I just remember looking around. It was new to us, the idea, and we were

seeking advice. But I don't remember who we talked to. But those were two we did.

Mr. WEITZ. Now, with regard to Mr. Jacobsen's advice, you say he advised you in terms of drawing up papers and such?

Mr. PARR. How you really set up in a trust. I am not an attorney, so I do not know any legal terminology, but the type of papers that we needed, the way you set it up—on a State basis or some other basis.

Mr. WEITZ. Now, in 1969, in connection with the formation of TAPE or shortly after its formation, were there any discussions, either with Mr. Jacobsen or anyone else, in connection with reporting requirements for TAPE to the Federal Government or any other authorities?

Mr. PARR. I don't recall that there were any specifically.

Mr. WEITZ. Do you recall any discussions in 1969 in connection with the formation of TAPE or shortly thereafter, concerning whether contributions could be made, whether the contributions of TAPE would have to be reported?

Mr. PARR. No, I don't remember anything like that.

Mr. WEITZ. Do you know of or remember any discussions in which it was specifically suggested that contributions be made from TAPE that should not be reported or should not be somehow reflected on TAPE's books of account?

Mr. PARR. No, sir. I do not remember that either.

Mr. WEITZ. What about contributions by members to TAPE?

Do you remember any discussions about receiving money from TAPE members but not reflecting it on TAPE's books, so as to generate funds for unreported or cash political contributions?

Mr. PARR. I do not remember that either.

[Discussion off the record.]

Mr. WEITZ. Did there come a time in 1969 when you were a party to or knew of discussions taking place concerning methods by which AMPI sought to have access to or an audience with administration officials, Nixon administration officials?

Mr. PARR. Could you be more specific?

Mr. WEITZ. Was there any discussion about the availability or the ability of representatives of AMPI to meet with Government officials to discuss problems with them, or was there a problem in that regard?

Mr. PARR. We didn't know anybody in Nixon's administration.

Mr. WEITZ. Without putting words in your mouth, was there a problem with regard to meeting with or contacting or communicating with administration officials?

Mr. PARR. Yes.

Mr. WEITZ. Was it a matter of just not knowing anyone, or was it a matter of actually trying to make contacts and finding that you could not reach anyone, or find someone who had time or wanted to sit down and speak with you?

Mr. PARR. We just didn't know anyone.

Mr. WEITZ. Did you ever just try to call the White House, or you felt without knowing anyone that would not be very fruitful?

Mr. PARR. I don't know what we thought, but we just did not know anybody.

Mr. WEITZ. And did you feel that it was important to know someone, or at least be known to some extent, in order to have some fruitful or beneficial contacts or discussions with administration officials?

Mr. PARR. Yes.

Mr. WEITZ. Did you discuss this with others at AMPI, this matter?

Mr. PARR. I don't recall specifically, but I am sure we did.

Mr. WEITZ. Was Mr. Nelson also aware of this problem?

Mr. PARR. Yes.

Mr. WEITZ. Was Mr. Lilly aware of the problem?

Mr. PARR. I am sure that everyone at AMPI was assured that we did not have any rapport with the Nixon administration.

Mr. WEITZ. When I ask you about their awareness, even though you recall no specific conversations, you are assuming, or are fairly sure, that there were or there must have been some discussion amongst you about this problem?

Mr. PARR. Yes.

Mr. WEITZ. Was Mr. Jacobsen aware of this problem?

Mr. PARR. Yes.

Mr. WEITZ. Were any other attorneys or consultants of AMPI aware of the problem?

Mr. PARR. I guess we all were.

Mr. WEITZ. Do you remember any particular, if not discussions, at least people with whom you discussed this problem with in 1969?

Do you remember discussing it with Mr. Jacobsen or Mr. Nelson, or anyone else?

Mr. PARR. Are you trying to get to the Kalmbach discussion? If you are, I will be most happy to talk about it.

Mr. WEITZ. All right. Were there particular meetings that resulted in a contribution being made or payment being made?

Mr. PARR. Yes.

Mr. WEITZ. Could you tell us about those meetings?

Mr. PARR. Yes; there was a meeting in Dallas, Tex., at the Executive Inn—and if you will refresh my memory—

Mr. WEITZ. Do you remember when that meeting took place?

Mr. PARR. Some—I do not remember exactly, but it was sometime in the summer of 1969.

Mr. WEITZ. Well, who was present at the meeting?

Mr. PARR. Mr. Semer, Mr. Jacobsen, Mr. Nelson, and myself.

Mr. WEITZ. And Mr. Semer was a Washington attorney who was a partner to Mr. Jacobsen?

Mr. PARR. Yes.

Mr. WEITZ. In advance of that meeting, before we pin down that meeting, do you know whether Mr. Semer had, or anyone on behalf of AMPI had, in fact, contacted any Government officials?

Mr. PARR. He had contacted Mr. Kalmbach.

Mr. WEITZ. That was before this meeting at the Executive Inn?

Mr. PARR. Yes.

Mr. WEITZ. Do you know whether he contacted anyone in the Government?

Mr. PARR. No, I don't.

Mr. WEITZ. Do you know how he came to contact Mr. Kalmbach?

Mr. PARR. No, I don't.

Mr. WEITZ. That was not discussed at the meeting?

Mr. PARR. No; as I recall—

Mr. WEITZ. Were any other names mentioned at the meeting of Government officials or other Republican fundraisers or so forth?

Mr. PARR. Not that I recall.

Mr. WEITZ. Was Mr. Kalmbach's name mentioned at the meeting?

Mr. PARR. Oh, yes.

Mr. WEITZ. Who mentioned his name?

Mr. PARR. Mr. Semer had mentioned that he had been in touch with Mr. Kalmbach, and I had trouble spelling the name at that time.

Mr. WEITZ. You did?

Mr. PARR. I did. I had never heard Kalmbach before, and Mr. Semer was from the Northeast and he had trouble saying Kalmbach. So I didn't understand Kalmbach. And Mr. Semer reported that he had had a conversation with Mr. Kalmbach.

Mr. WEITZ. He did not mention a California lawyer, but he mentioned him by name?

Mr. PARR. I believe——

Mr. WEITZ. He did not identify him merely as a California lawyer, he mentioned his name?

Mr. PARR. He mentioned his name.

Mr. WEITZ. And that was the first time to your recollection you had ever heard the name?

Mr. PARR. Kalmbach, yes.

Mr. WEITZ. Is it likely—I am looking, and I will not have you identify them because I will assure you that you have never seen them before. But I am looking at Mr. Semer's chronology established by Mr. Semer from his logs, and they indicate a meeting in the Executive Inn in Dallas, July 10, 1969.

Does that refresh your recollection as to the period or the possible date of that?

Mr. PARR. Yes, sir.

Mr. WEITZ. Was there more than one meeting at the Executive Inn that you are aware of with these gentlemen present concerning this matter?

Mr. PARR. That is the only one that I recall.

Mr. WEITZ. How did you come, or who arranged the meeting in Dallas?

Mr. PARR. I do not know who called who, Mr. Weitz.

Mr. WEITZ. Who told you about the meeting?

Mr. PARR. I don't know that.

Mr. WEITZ. You say it was Mr. Jacobsen, Mr. Nelson, yourself, and Mr. Semer?

Mr. PARR. Yes.

Mr. WEITZ. Did you go to Dallas with Mr. Nelson?

Mr. PARR. You see, I am in Little Rock.

Mr. WEITZ. So you went directly from Little Rock to Dallas and met the other gentlemen there?

Mr. PARR. Yes, sir.

Mr. WEITZ. Where did the meeting take place, in someone's hotel room?

Mr. PARR. Yes; I don't know whether someone was registered there or what room it was.

Mr. WEITZ. Had you met Mr. Semer before that meeting?

Mr. PARR. Yes.

Mr. WEITZ. Did you know why he was present, what role he played in this matter?

Mr. PARR. Yes.

Mr. WEITZ. What role was that?

Mr. PARR. He was the man that was looking for—he was the scout, I guess.

Mr. WEITZ. He was the Washington contact? He was looking for a Washington contact for AMPI in the administration?

Mr. PARR. Yes.

Mr. WEITZ. And this contact thus far, was Mr. Kalmbach, to your knowledge?

Mr. PARR. Yes.

Mr. WEITZ. Was Mr. Kalmbach in the administration, do you know?

Mr. PARR. No.

Mr. WEITZ. Was he located in Washington, do you know?

Mr. PARR. No; he was in California.

Mr. WEITZ. Did you know what relationship existed between Mr. Kalmbach and the administration if any, or the President, if any?

Mr. PARR. Well, I believe he was identified—I am not sure about this, but I believe he was identified as a very close associate of the President.

Mr. WEITZ. Close personal associate?

Mr. PARR. Yes.

Mr. WEITZ. Do you know whether he was affiliated or associated with the President in any official capacity?

Mr. PARR. At that time I was not too up on who Mr. Nixon's—I did not know his chronological makeup. I mean, his makeup of people.

Mr. WEITZ. Did you know whether Mr. Kalmbach was a fundraiser?

Mr. PARR. It could have been reported to me. I do not know that.

Mr. WEITZ. Well, what was discussed at the meeting?

Mr. PARR. Well, as I recall Mr. Semer reported, I believe this to be correct—Mr. Kalmbach wanted cash. I believe it was \$100,000, or there was a discussion about \$100,000, and whether Mr. Kalmbach had asked for it or—anyway, it was cash.

Mr. WEITZ. There had been some contact previously to this between Mr. Semer and Mr. Kalmbach?

Mr. PARR. That is correct.

Mr. WEITZ. Did you also get the impression or actually understand that there had been previous discussion between Mr. Semer and some of the people at this meeting, such as Mr. Nelson and Mr. Jacobsen about this matter, or did you understand that they were hearing it for the first time?

Mr. PARR. I don't remember getting any impression on that.

Mr. WEITZ. Is your limitation of knowledge merely one of recollection, or also because your attendance at this meeting brought you into the transaction or series of contacts not at the very outset?

In other words, had there been previous contacts that you were not aware of at the time of this Dallas meeting?

Mr. PARR. I just don't know.

Mr. WEITZ. But \$100,000 in cash, as I understand your testimony, was discussed?

Mr. PARR. Yes.

Mr. WEITZ. And you are not clear whether Mr. Kalmbach had originally asked for it, or whether it had been offered to Mr. Kalmbach, but that was being discussed?

Mr. PARR. That was the discussion; yes, sir.

Mr. WEITZ. It could have been either way?

Mr. PARR. Well, I don't want to make a—falsely accuse anyone either way. But I just do not recall. One thing was clear to me. Whatever it was and however it started, it was cash.

Mr. WEITZ. That was clear.

Mr. PARR. That was clear.

Mr. WEITZ. Was it discussed or explained as to why it was to be in cash?

Mr. PARR. No, sir. I do not recall that.

Mr. WEITZ. Was there any reference at the meeting to reporting the contribution or not reporting the contribution?

Mr. PARR. I don't recall any discussion of that nature.

Mr. WEITZ. What was the discussion, other than their mentioning \$100,000 in cash? What else can you recall?

Mr. PARR. Who was going to California, and who was not going to California.

Mr. WEITZ. Who was and who wasn't? I am asking you.

Mr. PARR. Well, it was finally decided that Mr. Semer would go.

Mr. WEITZ. And none of the others?

Mr. PARR. None of the others.

Mr. WEITZ. Was there some discussion about—or you indicated there was. Was there some suggestion that others might accompany Mr. Semer?

Mr. PARR. Yes; there was discussion.

Mr. WEITZ. Who suggested that others might go?

Mr. PARR. I don't know the discussion, but at one point in the discussion I guess all four of us were going, or any combination of the four.

Mr. WEITZ. Why was it determined that only Mr. Semer would go?

Mr. PARR. I just don't remember.

Mr. WEITZ. What else was discussed at the meeting, or what other facets of this transaction?

Mr. PARR. That is about the only thing I remember. If you want to ask me something and refresh my memory, I will be glad to—

Mr. WEITZ. Well, I'm trying to exhaust your own recollection first.

Mr. PARR. That is really all.

Mr. WEITZ. Let me ask you this. Was it your understanding that someone had the money at this meeting and was going to take it out to Mr. Kalmbach immediately after the meeting?

Mr. PARR. No, nobody had any money that I knew of.

Mr. WEITZ. Was it your understanding that the trip to California that was then being discussed was immediately after the meeting to just meet with Mr. Kalmbach, or was it the trip to deliver the money that was being discussed?

Mr. PARR. The trip to deliver the money.

Mr. WEITZ. And was it your understanding that that was to take place right after this meeting, or at some future time?

Mr. PARR. I believe, if my memory serves me correctly, that—at least I got the impression that Mr. Semer would leave the following day, I believe, or later that day.

Mr. WEITZ. For California?

Mr. PARR. Yes, sir.

Mr. WEITZ. With or without the money?

Mr. PARR. With the money.

Mr. WEITZ. With the money?

Mr. PARR. Yes, sir. And of course I had no access to any funds, so Mr. Nelson took it from there.

Mr. WEITZ. Well, what was decided at the meeting—that Mr. Semer would go to California with the money?

Mr. PARR. Yes.

Mr. WEITZ. How was the money to be obtained? What was the source of the funds?

Mr. PARR. I don't recall that I had any knowledge of that. He had to get the money from some place.

Mr. WEITZ. Now, at this meeting—now, search back—was there any reference at all by anyone to TAPE, or did it strike you, for whatever reason, that the money was going to come from TAPE?

Mr. PARR. I'll be very honest with you, Mr. Weitz. Mr. Nelson, Mr. Semer, Mr. Jacobsen, all three were attorneys. I guess it didn't cross my mind.

Mr. WEITZ. You did not have any impression it was coming from TAPE one way or the other?

Mr. PARR. No, sir. I didn't.

Mr. WEITZ. Well, \$100,000 is a lot of money.

Mr. PARR. Yes, sir.

Mr. WEITZ. Was it clear that they were not talking about personal contributions? I mean, the four of you were each not going to give \$25,000?

Mr. PARR. No.

Mr. WEITZ. Well, this was at least an effort on behalf of AMPI, from whatever source, to provide the funds; it was an effort to—or was your meeting, as representatives of AMPI, in connection with a matter relevant to AMPI?

Mr. PARR. Yes, sir.

Mr. WEITZ. What was the purpose of the delivery of the money? What was the reason for giving the money to Mr. Kalmbach? Did you know that, or did you have an understanding as to that?

Mr. PARR. I don't recall any specific thing that Mr. Semer had reported after his conversation with Mr. Kalmbach, other than he was high in Nixon's organization.

Mr. WEITZ. What was the purpose of the money? Was there any discussion as to whether it was a contribution or whether it was—or, for example, did you know that Mr. Kalmbach was a lawyer?

Mr. PARR. Yes; I guess I did know that he was a lawyer.

Mr. WEITZ. Was that mentioned, that he was an attorney or lawyer?

Mr. PARR. I believe I remember them saying that he was an attorney. I believe I knew he was an attorney.

Mr. WEITZ. Did you understand from anything that was said that it was to be a contribution, as opposed to a gift or a payment for legal fees of some sort?

Mr. PARR. No, sir. I did not know really what disposition of the money would be made.

Mr. WEITZ. Well, what did you consider, or what did those people at the meeting consider the money to be for? Obviously, when you

give money to someone they can use it for a number of purposes. But do you know what you intended by the payment?

Mr. PARR. No, sir.

Mr. WEITZ. Well, was it for Mr. Nixon's personal or private use?

Mr. PARR. I do not know. I did not get that inference. It was—again, I just do not recall anything about that.

Mr. WEITZ. Well, let me ask you this. You understood that the money was going to be delivered to Mr. Kalmbach. I take it, because of—or in some way in relation to the effort of AMPI, to gain access to the administration, or at least because they did not know anyone in the administration?

Mr. PARR. Yes.

Mr. WEITZ. Did you understand that the money was in some way going to the President, or at least was money that was being given—not to some lower echelon employee, but rather was being contributed—to whom it was being contributed because of his relationship to the President?

Mr. PARR. That sort of messed me up.

Mr. WEITZ. It is confusing. Let me just step back.

Did you essentially consider it, for whatever purpose it was going to be used, did you consider it in the nature of a political contribution?

Mr. PARR. Really, at the time—and that is where I'm having trouble—at the time, I do not know whether it was political, whether it was to hire Mr. Kalmbach. All I remember about that conversation is that there was \$100,000 and they wanted it in cash.

Mr. WEITZ. And it could have been used for whatever purpose they saw fit, as far as you were concerned?

Mr. PARR. I suppose so.

Mr. WEITZ. The money was ultimately delivered, was it not?

Mr. PARR. I do not know that. And the reason I say I do not know is because I never did hand the money to anybody.

Mr. WEITZ. Did anyone ever tell you it was delivered?

Mr. PARR. I do not recall anybody ever telling me. I am not saying they didn't, but I don't recall it.

Mr. WEITZ. Was San Clemente mentioned at that meeting in Dallas?

Mr. PARR. Not that I recall.

Mr. WEITZ. Did you ever hear any reference to San Clemente in relationship to this transaction or payment?

Mr. PARR. No, sir.

Mr. WEITZ. But at the conclusion of the meeting it was decided that Mr. Semer would go to California, that he was the one that was to deliver the money, and you did not know where the money was to come from?

Mr. PARR. Yes, sir. I knew Mr. Nelson had to get it.

Mr. WEITZ. Did he ever talk to you about it afterward?

Mr. PARR. That's what I said before. I don't recall whether he did or not, but I am not denying he did. I assume that the discussion was held, because I have been reading about it.

Mr. WEITZ. Now you say you did not know anything about this transaction.

What contact did you have with Mr. Semer, if any, before this meeting? You say you knew him.

Mr. PARR. I have forgotten when Mr. Semer was hired, or when I first met him, Mr. Weitz. But I had met him prior to that. I know that.

Mr. WEITZ. Was it at least several months before the meeting?

Mr. PARR. I would think so.

Mr. WEITZ. Did you talk with him by telephone several times, or frequently before this meeting?

Mr. PARR. Well, I was in Washington and I met him here in Washington. I had known Mr. Jacobsen, and I have forgotten how we—as I recall, the first instance I had with Mr. Semer, Mr. Nelson told me—I believe this to be correct—that Mr. Jacobsen had a partner: and they were going to hire a Mr. Semer. I believe that was the way it was.

Mr. WEITZ. After having met him in Washington, did you have further contact with him by telephone or in person until the time of that meeting in Dallas?

Mr. PARR. I'm sure I did.

Mr. WEITZ. And what did you discuss with him? What were the reasons for those contacts?

Mr. PARR. I guess—I would think it would be to acquaint him with the problems of the milk industry.

Mr. WEITZ. Did he ever inform you prior to the meeting in Dallas about his meetings with Mr. Kalmbach?

Mr. PARR. No.

Mr. WEITZ. Before the meeting in Dallas, did he ever discuss with you or mention these contacts he was making with anyone in the administration, or with Mr. Kalmbach?

Mr. PARR. I've forgotten the first time I heard the word "Kalmbach," whether it was in Dallas or whether it was in Washington. I don't know whether it was from Mr. Semer or not. I don't know where I heard it from.

Mr. WEITZ. Well, the reason I am asking you these questions, in this chronology I refer to, prepared by Mr. Semer, his logs indicate a number of phone calls to you in June and July of 1969, sometimes on the same day as contacts with Mr. Kalmbach, and I am just curious as to whether he ever talked to you about them.

Mr. PARR. No, I don't recall. I don't recall that at all.

Mr. WEITZ. Do you know whether Mr. Semer ever met with Mr. Kalmbach or talked to him?

Mr. PARR. He reported he talked to him.

Mr. WEITZ. He reported that at this Dallas meeting?

Mr. PARR. He might have reported that before then, Mr. Weitz. I just recall that I first heard of Mr. Kalmbach from Mr. Semer, and I don't know whether it was that first time in Dallas or whether I had heard it before, or just where I heard it, and when he had talked to him, and whether he had talked to him the same day or not—

Mr. WEITZ. What was the purpose of the payment, if in fact it was made, insofar as the intended payment? What was the purpose of the payment insofar as you understood?

Mr. PARR. I don't know how to phrase it.

Mr. WEITZ. Just tell us what you thought it was.

Mr. PARR. Well, I guess it was for having somebody in the Nixon administration know who we were.

Mr. WEITZ. Well, has it been your experience that it was necessary, what I would characterize at least was a substantial payment, in order to have someone know who you are?

Mr. PARR. No, sir.

Mr. WEITZ. You consider that somewhat unusual?

Mr. PARR. I guess we did then.

Mr. WEITZ. If it had been for legal fees, would it be usual to make a \$100,000 downpayment on legal fees in cash?

Mr. PARR. Well, I never had to make one that way.

Mr. WEITZ. Do you know whether any other payment for legal fees had ever been made that way by AMPI?

Mr. PARR. Not that I know of.

Mr. WEITZ. Whether or not it was called legal fees or contribution or payment, however, the purpose you have stated is the purpose that you understood the delivery of the money to be for?

Mr. PARR. Yes, sir.

Mr. WEITZ. And it was to go to someone who was a close associate of the President because, I take it, he was—or had some relationship to the President?

Mr. PARR. Yes.

Mr. WEITZ. Did you ever talk with Mr. Lilly about this transaction, the delivery of the money, or at least discussion of the delivery of the money?

Mr. PARR. I don't recall that.

Mr. WEITZ. And you have no idea to this day, other than what you have read in the paper, what the source of those funds were, if in fact a payment was made?

Mr. PARR. No; I don't know how the money was moved.

Mr. WEITZ. Do you know whether Mr. Jacobsen had anything to do with generating the sources of those funds?

Mr. PARR. No; I don't guess I do.

Mr. WEITZ. Until the time of that meeting, had you met with any administration officials, Nixon administration officials?

Mr. PARR. I met with Mr. Nelson. I met with Mr. Gleason, Jack Gleason.

Mr. WEITZ. When was that?

Mr. PARR. I don't remember the time.

Mr. WEITZ. What matters were discussed at that meeting with Mr. Gleason?

Mr. PARR. Do you know that I met with Mr. Gleason? If you do, if you can refresh my memory it would help me.

Mr. WEITZ. Well, did you have any discussion about campaign contributions at that meeting?

Mr. PARR. When I met Mr. Gleason—I was trying to get the chronological order—Mr. Semer, I believe, was the man who arranged for the meeting. I believe this to be correct. It was for us to meet with Mr. Gleason. And we got a request from Mr. Gleason for \$5,000.

Mr. WEITZ. In cash?

Mr. PARR. In cash. And I reported that to Mr. Nelson.

Mr. WEITZ. You met with Mr. Gleason in his office in the Executive Office Building?

Mr. PARR. Yes, sir.

Mr. WEITZ. Was that the first time you met Mr. Gleason?

Mr. PARR. No; I believe this was the second time.

Mr. WEITZ. What about the first meeting? Was that also with Mr. Nelson?

Mr. PARR. Yes.

Mr. WEITZ. Was Mr. Semer at either of these two meetings, or Mr. Harrison at either of these two meetings?

Mr. PARR. I don't recall whether they were or not. I think Mr. Nelson was at the first meeting, and as I remember I was at the second meeting.

Mr. WEITZ. With anyone else?

Mr. PARR. I just don't remember. I've been trying to refresh my memory.

Mr. WEITZ. And was it at the second meeting that Mr. Gleason asked for \$5,000 in cash?

Mr. PARR. Yes.

Mr. WEITZ. Did he say what he wanted the money for?

Mr. PARR. No, sir.

Mr. WEITZ. Did you ask him?

Mr. PARR. No, sir.

Mr. WEITZ. Had you discussed political matters or political contributions with him before his request, or in connection with his request?

Mr. PARR. I just don't remember the conversation surrounding that. I just remember the—

Mr. WEITZ. Did that surprise you?

Mr. PARR. Yes, sir.

Mr. WEITZ. When he asked for the cash, did he mean that he wanted your personal funds or your company's funds, or what?

Mr. PARR. Well, I know what the answer would have been if he would have asked me for my personal funds.

Mr. WEITZ. You would have told him no?

Mr. PARR. Yes, sir.

Mr. WEITZ. Did you get the impression he was asking you to find \$5,000 from whatever source, or did you talk about TAPE with him?

Mr. PARR. Yes; I'm sure he knew about our TAPE program.

Mr. WEITZ. Did he know TAPE was a reporting entity?

Mr. PARR. I don't know what he knew.

Mr. WEITZ. But he asked for the money in cash?

Mr. PARR. Yes, sir.

Mr. WEITZ. And he did not tell you for what purpose?

Mr. PARR. No, sir.

Mr. WEITZ. Did he say it was to be a political contribution to some candidate?

Mr. PARR. I just don't remember what that was. I just remember that there was \$5,000.

Mr. WEITZ. Do you have any idea what year this meeting took place, in what year?

Mr. PARR. No, sir. I don't.

Mr. WEITZ. Was it before or after this meeting in Dallas that you have described?

Mr. PARR. I don't remember that either. You see, the reason I am not, or cannot answer your question—if I were working for AMPI now I

could get the records and in some way decipher what you are asking me.

Mr. WEITZ. Well, what records would reflect that?

Mr. PARR. Well, someone at AMPI would—Bob Isham or Nelson or Lilly would know.

Mr. WEITZ. Well, let me ask you this. Maybe we can pursue it another way. After this request, what did you tell Mr. Gleason?

Mr. PARR. I told him I would report it to Mr. Nelson.

Mr. WEITZ. And did you do so?

Mr. PARR. Yes, sir.

Mr. WEITZ. And what did Mr. Nelson say?

Mr. PARR. "I heard you," or something to that effect.

Mr. WEITZ. He did not ask any further questions?

Mr. PARR. No.

Mr. WEITZ. After you reported to Mr. Nelson, did you have any occasion to discuss it with anyone else at AMPI?

Mr. PARR. I don't recall discussing it.

Mr. WEITZ. Did Mr. Nelson ever talk to you about it again?

Mr. PARR. Not that I recall.

Mr. WEITZ. Did Mr. Lilly ever discuss it with you?

Mr. PARR. I don't recall he did.

Mr. WEITZ. Did you meet with Mr. Gleason after that meeting?

Mr. PARR. If I knew what year it was I could tell you.

Mr. WEITZ. Well, I think the records of the White House reflect that Mr. Gleason left the employ of the White House somewhere in the middle of 1970, so if you met with him at his office while he was employed at the White House—

Mr. PARR. It would have to be sometime in 1969 or 1970.

Mr. WEITZ. 1969 or the first half of 1970, if possible.

Mr. PARR. Yes, sir.

Mr. WEITZ. Well, if in that period—do you recall whether you met with Mr. Gleason subsequent to his request?

Mr. PARR. You mean before or afterwards?

Mr. WEITZ. Afterwards.

Mr. PARR. It is just my recollection that I met with Mr. Gleason about three or four different times.

Mr. WEITZ. And this, to your best recollection, was the second time you met with him?

Mr. PARR. I'm a little confused. I do not know the time and place. I just remember the \$5,000.

Mr. WEITZ. What I am getting at is, do you recall ever discussing that request for \$5,000 again with Mr. Gleason after he first raised it?

Mr. PARR. No, I do not think so.

Mr. WEITZ. Do you know whether some cash or some moneys were delivered to Mr. Gleason by anyone on behalf of AMPI or TAPE?

Mr. PARR. No, sir.

Mr. WEITZ. Has anyone ever told you that they were?

Mr. PARR. Not that I recall.

Mr. WEITZ. Was Mr. Harrison involved in any way with this request—do you associate him with being at the meeting or anything of that type?

Mr. PARR. No, sir. I do not remember Mr. Harrison.

Mr. WEITZ. Do you remember anyone else in connection with this request, anyone that you associate with it, either as being there or discussing it with you at any time?

Mr. PARR. No, sir. I don't remember.

Mr. WEITZ. Do you know what that money was to go to, if in fact it was ever delivered?

Mr. PARR. I don't know.

Mr. WEITZ. Now, by the time that request was made, do you have a recollection that the problem you described in terms of AMPI people not knowing anyone in the administration, had that been resolved, or at least had that situation improved somewhat?

Mr. PARR. No, I don't recall any significant—

Mr. WEITZ. Well you at least knew Mr. Gleason enough to meet with him?

Mr. PARR. Yes.

Mr. WEITZ. And he knew you well enough to ask for the money?

Mr. PARR. Yes, sir.

Mr. WEITZ. Do you recall any meetings with Harry Dent?

Mr. PARR. Yes.

Mr. WEITZ. Did you meet with Mr. Dent?

Mr. PARR. Yes.

Mr. WEITZ. How many times, do you recall?

Mr. PARR. Once, I believe.

Mr. WEITZ. Let me mark for identification exhibit No. 2, a memorandum dated August 19, 1969, to the Honorable Harry S. Dent from Harold Nelson.

[Whereupon, the document referred to was marked Parr exhibit No. 2 for identification.*]

Mr. WEITZ. First of all, it has your name listed below, along with Mr. Nelson's and Mr. Semer's. Have you ever seen a copy of that memorandum?

Mr. PARR. It says I got a copy of the letter, but I do not recall this. But it says I got it, so I guess I got it.

Mr. WEITZ. Well, it lists your name there. So you may not have gotten it. But I am just asking you whether you have ever seen it.

Mr. PARR. I do not recall this. No, I don't remember that.

Mr. WEITZ. This is from Mr. Nelson, as it reads anyway. The first sentence reads: "In accordance with your suggestion made in your office this morning, here are the details of our invitation to the President to address the annual meeting of Associated Dairyman, Inc."

I have several questions in connection with that. First of all, that indicates that Mr. Nelson met with Mr. Dent on the day of the 19th, and I might add, Mr. Semer's logs apparently indicate that also.

Do you recall being at that meeting with Mr. Nelson and Mr. Dent?

Mr. PARR. I really don't recall it, but if you say I was there, I was there.

Mr. WEITZ. No, I am not saying that.

Mr. PARR. I just don't recall if I was there.

Mr. WEITZ. Do you know if Mr. Nelson met with Mr. Dent more than once?

Mr. PARR. No, I don't.

*See p. 6909.

Mr. WEITZ. But you met with Mr. Dent once that you recall?

Mr. PARR. I just remember one time, but I might have met him twice.

Mr. WEITZ. What was discussed at the meeting at which you attended?

Mr. PARR. I believe we were getting acquainted with Mr. Dent. I mean, we had heard his name mentioned, that he was from South Carolina. I don't know whether I knew that then or not.

Mr. WEITZ. Do you associate that meeting, the meeting you attended in any way—within a month or two—with the meeting in Dallas in which the payment of money was discussed?

Mr. PARR. No, sir.

Mr. WEITZ. Was it shortly thereafter, or you do not recall?

Mr. PARR. I do not recall.

Mr. WEITZ. Now, exhibit No. 2 discusses, as I read, an invitation to the President to attend an annual meeting of the Associated Dairymen.

Was an attempt made in 1969 or an invitation extended to have the President attend such a meeting?

Mr. PARR. Well, you see, that is what is confusing me about that letter, Associated Dairymen. That was in 1969, was it not?

Mr. WEITZ. The memorandum was in 1969, yes.

Mr. PARR. Associated Dairymen was in existence. Mr. Nelson was general manager of Associated Dairymen. It was a federation of dairy-men cooperatives.

Mr. WEITZ. Do you recall an effort to get the President to attend an annual meeting of that organization?

Mr. PARR. If it indicates that, we did.

Mr. WEITZ. Did you have any contact or participation in that effort?

Mr. PARR. I could have even been at that meeting, but that is just blank to me. That is the first time I remember seeing that letter.

Mr. WEITZ. Let me ask you this.

After the meeting which you attended in Dallas which discussed the payment of money to Mr. Kalmbach, do you recall any events that took place, or any meetings or a series of meetings, in which your access to the administration improved or by which you began meeting people in the administration, as contrasted with prior to that meeting in Dallas?

Mr. PARR. Well, let me phrase it this way. During the Johnson administration we had close relationships with the Johnson administration. And we never did spend that much time with the White House during the Nixon administration. I do not know whether that answers your question or not.

Mr. WEITZ. All right. Well, maybe we'll come to some other meeting later.

Mr. PARR. OK.

Mr. WEITZ. Do you recall a meeting at all with Mr. Colson?

Mr. PARR. Yes.

Mr. WEITZ. Do you remember meeting with him as early as 1969?

Mr. PARR. I don't remember the exact time.

Mr. WEITZ. But you met with him a number of times?

Mr. PARR. I would say three or four.

Mr. WEITZ. What was the first time you met with him, do you recall?

Mr. PARR. No, sir.

Mr. WEITZ. Who arranged your meetings with Mr. Colson?

Mr. PARR. I believe Mr. Harrison.

Mr. WEITZ. Mr. Harrison was at the time representing AMPI?

Mr. PARR. Yes.

Mr. WEITZ. Do you remember meeting with Mr. Cashen?

Mr. PARR. Yes.

Mr. WEITZ. Would he usually be in the same meetings with you and Mr. Colson, or would those be separate meetings?

Mr. PARR. I believe Mr. Cashen was Mr. Colson's assistant. I do not remember how that—I remember meeting Mr. Cashen, though. I remember meeting Mr. Colson.

Mr. WEITZ. Would they be together or separate meetings?

Mr. PARR. I believe they had adjoining offices or close offices. I do not know.

Mr. WEITZ. Did it develop, or did you understand Mr. Colson to be one of your principal contacts or people in the administration to see in the White House?

Mr. PARR. I believe he was identified as a special interest organizations or associations.

Mr. WEITZ. That was his area of responsibility?

Mr. PARR. Yes, sir.

Mr. WEITZ. And as such that was the person you met with, he was the person you saw in the White House?

Mr. PARR. Well, that was the person we had an appointment with.

Mr. WEITZ. Did you ever discuss any prior or contemplated political contributions with Mr. Colson?

Mr. PARR. Did we ever discuss with him?

Mr. WEITZ. Yes.

Mr. PARR. Yes.

Mr. WEITZ. Did you ever discuss any Presidential contributions with Mr. Colson?

Mr. PARR. I think yes.

Mr. WEITZ. I do not want to get ahead of ourselves. Was this in 1970 or was it later?

When I say Presidential, I mean particularly 1972 Presidential campaign, such as contributions to the President.

Mr. PARR. Well, Mr. Nixon was inaugurated in 1969?

Mr. WEITZ. Yes.

Mr. PARR. And the farmers, our dairy farmers were overwhelmingly for Nixon. We were getting more Republican members as we consolidated dairy farmers, and we were being cast as strictly pro-Democrats because that's where we come from. So we were very conscious from the standpoint of our own membership relations to—that the President was a Republican and the farmers did support him, and that he was the President.

Mr. WEITZ. And that is the reason that you discussed or intended to make political contributions to the President?

Mr. PARR. Yes. Because we had. I recall—I have forgotten the year—but in the sixties, States in the MPI area—I don't know whether it was 1969 or 1970, but in that period of time we were getting written up by papers constantly that we were pro-Democrats. And I guess we were, because that was just about all we had down there in our part of the country.

Mr. WEITZ. So the organization was trying to more or less offset or dispel that image with the administration as being Democratic?

Before we get into some of the later contacts, just to keep this in order—

Did there come a time in 1969 when you became aware of or somehow heard of an effort to raise \$100,000 to pay someone back—or somehow to compensate someone for the previous—or some organization for the previous delivery of money to Mr. Kalmbach?

Mr. PARR. No, sir.

Mr. WEITZ. Do you have any knowledge of a loan of \$100,000 that Mr. Lilly took out in December 1969?

Mr. PARR. No, sir.

Mr. WEITZ. I would like to ask you about a number of attorneys and consultants who were retained or were in the employ of AMPI at one time or the other?

Were you aware that Ted van Dyk was retained by AMPI?

Mr. PARR. Yes.

Mr. WEITZ. Do you know for what purpose?

Mr. PARR. Well, he had been, had worked for Vice President Humphrey. He was a very knowledgeable person about national politics. The dairy farmers had had a problem for 30 years with not understanding about how Government really affected their price. And he was a very—he impressed us.

Mr. WEITZ. Do you have any knowledge whether during any of the period for which Mr. van Dyk was retained by AMPI, that any of his billings, either for expenses or services rendered were in fact to funnel money from AMPI through to any other source?

Mr. PARR. Can I go off the record just a second?

[Discussion off the record.]

Mr. WEITZ. You have no personal knowledge?

Mr. PARR. I don't recall any.

Mr. WEITZ. Has anyone ever told you, other than what you have read in the paper, of any instance where Mr. van Dyk has billed AMPI, and with the money received given that to someone else for political purposes?

Mr. PARR. I know that Mr. van Dyk had some polling work done for us in the Northeast, I believe it was. I don't know if this is what you are talking about or not. I believe he did a survey for us, I believe in the State of Arkansas. I believe also that there was some work in one of the Dakotas.

Mr. WEITZ. Now, for that work Mr. van Dyk paid for that work and then billed AMPI, is that correct?

Mr. PARR. Yes, sir.

Mr. WEITZ. In addition to those instances, do you know of any instances in which he gave money, he or anyone in his organization gave any moneys received from AMPI back to any AMPI employees?

Mr. PARR. That I don't know.

Mr. WEITZ. Has anyone told you of that?

Mr. PARR. Not that I know of.

Mr. WEITZ. Did you as a general matter review or approve his bills, Mr. van Dyk's bills, to AMPI?

Mr. PARR. Yes; I believe they come to our office.

Mr. WEITZ. Did you generally approve most of the bills for attorneys and consultants of AMPI?

Mr. PARR. Well, the records reveal that Mr. van Dyk's bills came to my office.

Mr. WEITZ. Why was that?

Mr. PARR. I just don't really recall how it got started.

Mr. WEITZ. Did you have frequent contact with Mr. van Dyk?

Mr. PARR. Yes; I guess it was for the reason that he was writing up reports to us all the time about what the mood of the country was and what politics was doing and what issues were coming up and all those type of things. He was very sensitive to that type of thing.

Mr. WEITZ. I think he referred, you said that DeVier Pierson was a lawyer for AMPI?

Mr. PARR. Yes.

Mr. WEITZ. Do you have any knowledge from any other source other than what you've read in the newspapers whether Mr. Pierson gave any moneys that he received to AMPI back to employees or anyone representing AMPI, or otherwise paid them out for political purposes?

Mr. PARR. No, sir.

Mr. WEITZ. Was Frank Masters a lawyer for AMPI?

Mr. PARR. Yes, sir.

Mr. WEITZ. I'll ask the same question.

Do you know of any such instance with regard to Mr. Masters?

Mr. PARR. No, sir. And let me say this. I do not want to say I had not heard about it, because I do not know what I have heard and what I have not heard.

Mr. WEITZ. But you know of no particular instances, or know of no circumstances that would relate to any such matters?

Mr. PARR. No, sir.

Mr. WEITZ. Other than what you may vaguely have heard at some point or another?

Mr. PARR. That is correct.

Mr. WEITZ. And you are not even sure you heard that?

Mr. PARR. I am not even sure of that.

Mr. WEITZ. Do you know Stu Russell?

Mr. PARR. Yes, sir.

Mr. WEITZ. And he has been an attorney for AMPI for a period of time, or he was?

Mr. PARR. Yes, sir.

Mr. WEITZ. Before that time he was an attorney for Central Arkansas Milk Producers Association, for you, was he not?

Mr. PARR. Yes, sir.

Mr. WEITZ. For the co-op?

Mr. PARR. He was on retainer fee for a number of co-ops.

Mr. WEITZ. Including yours at that time?

Mr. PARR. Yes.

Mr. WEITZ. Did he ever talk to you about any transactions or instances in which he was receiving moneys from AMPI and paying them out to either AMPI employees or anyone else for political purposes or for other purposes?

Mr. PARR. Not to my—that was general knowledge.

Mr. WEITZ. General knowledge in the organization of AMPI?

Mr. PARR. Well, let me—hesitant to say specifically, I do not know of any individual transactions.

Mr. WEITZ. Did you know of any transactions?

Mr. PARR. No, not if you can refresh my memory. But I do not recall any.

Mr. WEITZ. Was it common knowledge or general knowledge, as you say, that the moneys he was receiving or paying out were for various political purposes?

Mr. PARR. Yes.

Mr. WEITZ. Political contributions?

Mr. PARR. Yes.

Mr. WEITZ. Was it your understanding that Mr. Russell was aware of this common knowledge, or that he in fact was aware that the moneys he was paying out were for political purposes?

Mr. PARR. That I don't know about.

Mr. WEITZ. But you seem to know it.

Mr. PARR. Yes, I know it.

Mr. WEITZ. How did you come to know it, do you know? Did you ever discuss it with anyone?

Mr. PARR. I don't recall discussing it with anybody, but I am sure that I could have or probably did.

Mr. WEITZ. Did you ever ask Mr. Russell for any moneys for political purposes?

Mr. PARR. I recall the situation that—I have forgotten the year, Mr. Weitz, but I believe it was 1970 that Jim Jones ran for Congressman against Page Belcher, who was the incumbent. And I recall there was a furor over there within the AMPI board of directors and the Oklahoma people, and I believe I got a call from a Mr. Tom Townsend asking my advice on what to do about a request that he had from, I guess Mr. Belcher—I don't know whether Mr. Belcher per se or Belcher's representatives—for \$5,000 in cash.

Mr. WEITZ. From AMPI?

Mr. PARR. Yes.

And I referred him to Mr. Russell, because he was in Oklahoma to seek advice and counsel on what to do. And I do not know what happened after that, but I remembered that instance.

Mr. WEITZ. Well, let me ask you this. You say either Mr. Belcher or his representatives asked Mr. Townsend?

Mr. PARR. I believe Mr. Townsend was in Oklahoma.

Mr. WEITZ. Mr. Townsend normally at that time was in Little Rock, or worked for you in Little Rock?

Mr. PARR. Well, I'm talking about—Mr. Belcher liked Mr. Townsend. They had a relationship. He thought Mr. Townsend was a lawyer. He used to call him the lawyer, which he wasn't. But I don't know the facts surrounding it, but I know there was something.

Mr. WEITZ. Why did Mr. Townsend ask you or tell you about this?

Mr. PARR. Well, I guess he wanted advice.

Mr. WEITZ. And you gave him the advice to talk to Mr. Russell?

Mr. PARR. Yes.

Mr. WEITZ. Why did you do that?

Mr. PARR. Because Mr. Russell was in Oklahoma, and just general knowledge that I had.

Mr. WEITZ. Well, when Mr. Gleason asked you for money you went to Mr. Nelson.

Why did you not tell Mr. Townsend to go to Mr. Nelson? He was the head of the organization.

Mr. PARR. Yes, sir. Well, I am sure that Mr. Russell—I mean, they were in Oklahoma. They knew what the situation was going on in Oklahoma, and I am sure that Mr. Nelson had to be contacted, or Mr. Russell, to get approval of it.

Mr. WEITZ. Did you not have fairly specific knowledge, or at least better than just a general rumor source, for Mr. Russell's activities?

Didn't you either overhear or know of other instances in which he had provided moneys, and that's why you sent Townsend to him?

Mr. PARR. Mr. Nelson had told me that on these type of matters you are not to be involved.

Mr. WEITZ. What types of matters?

Mr. PARR. Like the Russell deal.

Mr. WEITZ. What brought that conversation up? Did you ask him about it?

Mr. PARR. I don't recall the instance about that. I am not trying to be vague about anything; I'm just trying to say that that's the way it was.

Mr. WEITZ. Well, you say this original request came about because Mr. Jones had received a contribution from TAPE?

Mr. PARR. I just remember there was quite a furor over the Jones-Belcher thing.

Mr. WEITZ. Well, why was not the contribution made to Mr. Belcher by TAPE in 1970?

Mr. PARR. As I recall, he asked for it in cash.

Mr. WEITZ. Do you know whether the money was delivered?

Mr. PARR. No, sir. I don't.

Mr. WEITZ. Did Mr. Townsend ever talk to you about it again?

Mr. PARR. I am sure he did.

Mr. WEITZ. Let me show you exhibit No. 1 to the Marion Harrison deposition,* which I will not ask you to identify since it is identified there. It is a letter from Mr. Harrison to Mr. Nelson. But I want to direct your attention to paragraph 4 of the letter on page 2. Have you read it?

Mr. PARR. Yes.

Mr. WEITZ. My question is this. The last sentence of the paragraph, of paragraph 4, says: "Consequently, it would be my strong recommendation that TAPE and our other like organizations contribute only to candidates who are opposed, and let sources which can contribute in cash and without the risk of publicity do the contributing to those candidates who are unopposed."

Now, my question is this. Do you know to what sources Mr. Harrison was referring to?

Mr. PARR. No, sir.

Mr. WEITZ. Do you know, either from your own conversation or otherwise, whether Mr. Harrison was aware that either this particular request from Mr. Belcher or other transactions regarding cash contributions?

Mr. PARR. Could you start again? I was reading.

Mr. WEITZ. I said, do you know, either from personal knowledge or what you have overheard, whether Mr. Harrison—I think I am rephrasing it, but essentially the same—whether Mr. Harrison knew

*See Book 14, p. 6282.

of either this request from Mr. Belcher or any other transactions involving cash political contributions?

Mr. PARR. No, I do not know that.

Mr. WEITZ. Did he know of the request by Mr. Gleason, did you say?

Mr. PARR. Did Mr. Harrison know? I am not aware of whether he was informed of that or not.

Mr. WEITZ. Do you know of any other instances in which Mr. Townsend either asked for—any other instances in which Mr. Townsend was involved in any matter concerning cash political contributions?

Mr. PARR. What do you mean, "involved"?

Mr. WEITZ. He was asked to do something or did something, or even knew of another transaction, picked up money, delivered money?

Mr. PARR. Yes.

Mr. WEITZ. Could you tell us about that?

Mr. PARR. I believe this to be correct, that he brought to Congressman Mills—I am hazy on this because the testimony I just gave at the other place, and I am confused on two points. But Mr. Townsend brought \$5,000 from Little Rock to Washington. I don't remember when it was, but I believe it would be for the appreciation rally for Mills.

Mr. WEITZ. Took it to Washington?

Mr. PARR. Yes, I believe, and I am also—Mr. Sale asked me about a transaction, and I am not sure which it was. But I just don't have access to the records.

Mr. WEITZ. Well, are you describing two separate transactions?

Mr. PARR. Yes, sir, I am.

Mr. WEITZ. The first that you have described is the \$5,000 that you believe he took from Little Rock to Washington to deliver to Mr. Mills' campaign or office of Mr. Mills?

Mr. PARR. I am confused on this, and I have to get some way of getting it corrected, and I don't know how to do it. But the other thing I am thinking about is this, that Mr.—I met Mr. Jacobsen in Austin one day.

Mr. WEITZ. At the airport?

Mr. PARR. Yes. And I don't know—he gave me \$5,000, and I don't know what that was for. I can't remember what that was for, and I've got the two confused.

Mr. WEITZ. Was the second transaction you are talking about for Congressman Mills?

Mr. PARR. That I don't know. But I know we gave \$5,000, to the best I can remember, for the appreciation rally.

Mr. WEITZ. When was that rally?

Mr. PARR. That was in August of 1971.

But this other one that Mr. Sale asked me about. I don't know whether that is the same \$5,000. It don't seem to me it is, because it seems like to me that Mr. Lilly brought the \$5,000 to Little Rock.

Mr. WEITZ. And delivered it to Norma Kirk?

Mr. PARR. I've got these two things in my mind, and I can't get them straight as to what it was.

Mr. WEITZ. Well, while we are on this—this is jumping ahead a little bit—while we are on this, maybe we can clear it up.

Do you recall a situation in which you asked Mr. Lilly to bring \$5,000 to Little Rock?

Mr. PARR. I think I asked Mr. Nelson.

Mr. WEITZ. And that was for Congressman Mills?

Mr. PARR. That was for the Congressman's appreciation rally.

Mr. WEITZ. In August 1971?

Mr. PARR. Yes, that is correct.

Mr. WEITZ. And your understanding is that Mr. Lilly brought \$5,000 to Little Rock and delivered it to Norma Kirk at the airport?

Mr. PARR. I am confused about this, and I don't know whether that was for—I know that there are two transactions, and I don't know whether the one involved Mills. I don't know whether the other one did or not.

Mr. WEITZ. I see.

But one also involved Mr. Lilly delivering money to your secretary, Norma Kirk?

Mr. PARR. Yes, sir.

Mr. WEITZ. Do you know what happened to that money; what was done with the money?

Mr. PARR. Yes. I believe that went to the—I believe that was the time of the Mills appreciation rally.

Mr. WEITZ. August 1971?

Mr. PARR. I believe that is correct. But there is also this other one I am telling you about, and I cannot get the two straight in my mind.

Mr. WEITZ. Well, this other one you are talking about, for whatever purpose, you received the money personally from Mr. Jacobsen, did you not?

Mr. PARR. I believe that is correct.

Mr. WEITZ. It did not involve Mr. Lilly directly or your secretary, Norma Kirk, directly?

Mr. PARR. I believe that is correct.

Mr. WEITZ. So we are talking about two separate transactions?

Mr. PARR. I believe that is correct.

Mr. WEITZ. And you are sure that at least one of them was in connection for Congressman Mills in connection with the Mills appreciation rally?

Mr. PARR. I believe that is correct.

Mr. WEITZ. Do you know what the source of either or both of the moneys were, what the sources were?

Mr. PARR. No, sir. I don't.

Mr. WEITZ. Where did Mr. Lilly get his money?

Mr. PARR. Well, this Russell thing was going on, and I don't know whether Jacobsen was or was not involved in that. I don't think that that's where it was.

Mr. WEITZ. Let me just understand you. You say this Russell thing was going on, you don't know whether Jacobsen was involved.

You mean Jacobsen was doing something similar to Russell, or he was getting his money from Russell?

Mr. PARR. I don't know which way it was.

Mr. WEITZ. It could have been either way. You don't know?

Mr. PARR. I really don't know how that part of it worked.

Mr. WEITZ. But whichever way it was, that would mean that in addition to Mr. Russell being involved in such transactions, Mr. Jacobsen knew of and to an extent was involved, either as a direct conduit or getting money from Mr. Russell, is that correct?

Mr. PARR. No. Well, I don't know how that was exactly.

Mr. WEITZ. Well, let me ask you this. You say you are not sure whether the money for Jacobsen was for Mills or not?

Mr. PARR. No, sir.

Mr. WEITZ. Was it for some political contribution?

Mr. PARR. Yes.

Mr. WEITZ. And did Mr. Jacobsen know that?

Mr. PARR. I don't know whether it was identified or not.

Mr. WEITZ. Do you recall whether the——

Mr. PARR. I just remember meeting Mr. Weitz in the airport.

Mr. WEITZ. You mean Mr. Jacobsen?

Mr. PARR. I'm sorry, Mr. Weitz. I remember meeting Mr. Jacobsen.

Mr. WEITZ. Was anyone else with you at the airport?

Mr. PARR. I believe Tom Townsend was there.

Mr. WEITZ. Was he there and know what was going on?

Did he know you were receiving a package of money from Mr. Jacobsen?

Mr. PARR. I don't know whether he did or not.

Mr. WEITZ. Was anyone else at the airport?

Mr. PARR. Yes; I met Mr. Lilly there.

Mr. WEITZ. Was that by accident or did you plan to meet him at the airport?

Mr. PARR. Not that I can remember.

Mr. WEITZ. What about Joe Long, Mr. Jacobsen's partner? Was he at the airport at the time of the transfer?

Mr. PARR. I know Mr. Long, but I don't remember whether he was there or not.

Mr. WEITZ. Had you gone to Austin just to pick up the money?

Mr. PARR. No; I was on my way to someplace.

Mr. WEITZ. Was there a Mills address to the Texas joint session, a joint session of the Texas legislature that you recall?

Mr. PARR. I went to that.

Mr. WEITZ. Do you associate in time the Mills speech with this transfer of money?

Mr. PARR. No, sir. I mean, it could have been at the same time, but I don't recall that.

Mr. WEITZ. Do you recall what the weather was like in the airport, cold or warm?

Mr. PARR. No, sir. I don't. I have forgotten even how we got to Austin.

Mr. WEITZ. You and Mr. Townsend?

Mr. PARR. Yes. But it seemed like Mr. Townsend was with me. We were going someplace, and Mr. Townsend and I did attend the meeting of the Texas Legislature.

Mr. WEITZ. Do you recall any other instances in which you ran into Mr. Lilly at the Austin airport with Mr. Townsend accompanying you or anyone else accompanying you in the circumstances in which you just mentioned?

Mr. PARR. No, sir.

Mr. WEITZ. So the time that you ran into Mr. Lilly, by accident, and Mr. Townsend was accompanying you and Mr. Jacobsen delivered the money to you, that all took place on the same day?

Mr. PARR. Yes, sir.

Mr. WEITZ. Do you know how many times you have been in the Austin airport that you recall? More than once?

Mr. PARR. Oh, yes.

Mr. WEITZ. Do you know how many times Mr. Townsend has accompanied you to the Austin airport?

Mr. PARR. No.

Mr. WEITZ. More than once?

Mr. PARR. I just don't know.

Mr. WEITZ. I'm asking you these questions in order to see whether we can pinpoint the time.

Mr. PARR. Yes; that's right.

Mr. WEITZ. But you don't necessarily associate the speech by Mills to the joint session of the Texas Legislature with this transfer of money?

Mr. PARR. No, sir.

Mr. WEITZ. Did you have anything to do with Mr. Mills appearing before the Texas Legislature?

Mr. PARR. No.

Mr. WEITZ. Do you know whether anybody at AMPI had anything to do with it?

Mr. PARR. No; not that I know of.

Mr. WEITZ. Now, you mentioned the delivery of money by Mr. Townsend to Washington for Mills. Did you have anything to do with that? Did you direct him to do so?

Mr. PARR. Yes, sir.

Mr. WEITZ. Who asked you for the money?

Mr. PARR. No one.

Mr. WEITZ. It was just a voluntary contribution. What was the source of that money?

Mr. PARR. I don't know the—I don't know what. I just requested it from Mr. Nelson. I don't know how they got the money.

Mr. WEITZ. Did Mr. Townsend pick up the money?

Mr. PARR. Where?

Mr. WEITZ. I am asking you, did Mr. Townsend receive the money, or did you give him the money?

Mr. PARR. I don't know how that was done.

Mr. WEITZ. But you did not tell him to go see Mr. Russell on that occasion?

Mr. PARR. No, sir.

Mr. WEITZ. You only told him to go see Mr. Russell on the occasion of the request from Mr. Belcher?

Mr. PARR. That is what I recall.

Mr. WEITZ. We have a letter here from Mr. Russell addressed to me, dated December 11, 1973. Let me just mark it as exhibit No. 3.

[Whereupon, the document referred to was marked Parr exhibit No. 3 for identification.*]

Mr. WEITZ. Now, I don't expect you to identify it, since it is not addressed to you, it doesn't show any copies to you. But in the letter it says that Mr. Russell says: "I do recall that I delivered \$5,000 in cash to Mr. Tom Townsend, a former employee of Associated Milk Producers, Inc."

Now, do you know what \$5,000 he's talking about?

*See p. 6910.

Mr. PARR. To Belcher.

Mr. WEITZ. And you don't believe that that is the money that he delivered to Mr. Mills?

Mr. PARR. No.

Mr. WEITZ. How can you be certain?

Mr. PARR. Well, on this basis, that I do recall the Belcher-Jones furor over there, and Mr. Lilly did come to Little Rock. There was \$5,000 there.

Mr. WEITZ. The one he delivered to your secretary?

Mr. PARR. Yes. And the other time I was telling you about.

Mr. WEITZ. You sent him to Russell, so you just assume, then, that his contact to Russell was on the Belcher matter, and these other moneys were generated not with Mr. Townsend's direct involvement, other than delivering the money to Washington to Mr. Mills?

Mr. PARR. I think that is correct.

Mr. WEITZ. Now, he goes on to say: "And \$15,000 in cash to Mr. Wim Hollowell, also a former emp'oyee of Associated Milk Producers, Inc."

Do you know Mr. Hollowell?

Mr. PARR. Yes.

Mr. WEITZ. Do you know anything about this \$15,000?

Mr. PARR. No.

Mr. WEITZ. Did you ever direct Mr. Hollowell to get money or anything like that?

Mr. PARR. No.

Mr. WEITZ. Do you know from any other sources that, whether Mr. Hollowell picked up \$15,000?

Mr. PARR. No, sir.

Mr. WEITZ. Do you know what purpose Mr. Hollowell would use \$15,000?

Mr. PARR. No.

Mr. WEITZ. Was Mr. Hollowell working in Little Rock?

Mr. PARR. No, sir.

Mr. WEITZ. Where was he employed?

Mr. PARR. I believe in the north Texas division.

Mr. WEITZ. No, other than sending Mr. Townsend to Mr. Russell on that occasion—

Mr. PARR. I don't think I sent him. I think I just suggested.

Mr. WEITZ. Well, were there any other occasions where you were aware that Mr. Townsend was involved in a cash transaction, other than the delivery that you mentioned to Mr. Mills or Mr. Russell's involvement in any other transaction—any other political transaction?

Mr. PARR. I don't remember anything about Mr. Townsend, and I don't recall anything about Mr. Russell.

Mr. WEITZ. What about other employees at AMPI other than what you have already described?

Mr. PARR. Well, if you could refresh my memory. Right offhand I don't remember anything.

Mr. WEITZ. Not right offhand anything that you can recall?

[Discussion off the record.]

Mr. WEITZ. I just want to touch on the other attorneys and consultants for AMPI, some of the others.

Mr. Clifford Carter, you were aware that he was retained by AMPI?

Mr. PARR. Yes.

Mr. WEITZ. Do you know whether anyone ever asked him for money, any employee, for political purposes, or whether he delivered or produced any money for political purposes from his fees, or whatever source?

Mr. PARR. How long has he been dead?

Mr. WEITZ. Maybe a year, maybe more. I'm not sure.

I'm talking about the period 1969 through 1972.

Mr. PARR. I cannot recall.

Mr. WEITZ. Do you recall any instance where Bob Justice went and asked Mr. Maguire, Richard Maguire or Clifford Carter, one or both of them, for money?

Mr. PARR. That rings a bell.

Mr. WEITZ. Bob Justice worked in Little Rock?

Mr. PARR. Yes.

Mr. WEITZ. Did you ever tell Bob Justice to get some money from somebody for political purposes?

Mr. PARR. That rings a bell with me, Mr. Weitz. But I don't know what it was.

Mr. WEITZ. Did you know whether Mr. Maguire or Mr. Carter provided any moneys or were asked for moneys for political purposes by anybody connected with AMPI?

Mr. PARR. I just don't remember the facts surrounding it, but there was something there.

Mr. WEITZ. Sounds familiar, but you do not remember?

Mr. PARR. No.

Mr. WEITZ. Do you know whether Mr. Justice received any such requests from anyone else at AMPI?

Mr. PARR. No.

Mr. WEITZ. Do you know whether he ever was instructed to do something by Mr. Nelson, for example?

Mr. PARR. No; I don't know.

Mr. WEITZ. Was he primarily or strictly acted at your direction?

Mr. PARR. Mostly, yes.

Mr. WEITZ. Well, if he went to pick up such money it would have been at your direction?

Mr. PARR. Yes.

Mr. WEITZ. Do you know how many sources you had in terms of moneys generated for either Mr. Mills or anyone else?

In other words, you've mentioned a possible source in Mr. Russell, and a source in Mr. Jacobsen.

Is there anyone else that you knew of that generated such funds for political purposes, or that you ever asked for funds for political purposes directly or indirectly?

Mr. PARR. No; I don't. I had even forgotten what you were talking about there—something there, I don't know what it was.

Mr. WEITZ. Do you recall Mr. Carter or Mr. Maguire calling either you or anyone else at AMPI to complain about the request from Mr. Justice?

Mr. PARR. No, sir.

Mr. WEITZ. Did Bob Lilly ever tell you that he had received a call from Mr. Carter complaining about a request by Mr. Justice for money?

Mr. PARR. No.

Mr. WEITZ. Jim Jones was employed by AMPI for a time, was he not?

Mr. PARR. Yes.

Mr. WEITZ. And do you know whether he ever paid any moneys for the AMPI employees for political purposes or otherwise?

Mr. PARR. No; I do not.

Mr. WEITZ. Now, besides the instance—well, let me ask you this.

How did you come to receive the money from Mr. Jacobsen at the Austin airport?

Did you describe—did you ask him for the money?

Mr. PARR. No; I don't think so. I think that I talked to Mr. Nelson about it.

Mr. WEITZ. How did you know to go to the Austin airport to pick up the money?

Mr. PARR. I really don't remember?

Mr. WEITZ. Did you have any discussion that you recall with Mr. Jacobsen about it?

Mr. PARR. I don't recall any.

Mr. WEITZ. Do you know whether, other than that instance, Mr. Jacobsen ever paid any moneys or delivered any moneys in cash or otherwise to employees or anyone for AMPI?

Mr. PARR. No; I don't.

Mr. WEITZ. How about Joe Long, his partner?

Do you know whether he ever was involved in any such transaction?

Mr. PARR. No; I do not.

Mr. WEITZ. Do you know the source of that \$5,000 you received from Mr. Jacobsen?

Mr. PARR. No, sir.

Mr. WEITZ. But it was in cash, though?

Mr. PARR. Yes, sir.

Mr. WEITZ. \$100 bills?

Mr. PARR. I have no idea.

Mr. WEITZ. Did you ever receive any other request from anyone in Government besides Mr. Gleason for political contributions, either to the President or anyone else?

Mr. PARR. Yes.

Mr. WEITZ. Who was that?

Mr. PARR. Mr. Campbell.

Mr. WEITZ. Phil Campbell of the Department of Agriculture?

Mr. PARR. Yes.

Mr. WEITZ. And his requests were related to the President or some other contribution?

Mr. PARR. They were related to somebody in Georgia.

Mr. WEITZ. State candidate?

Mr. PARR. I didn't know that until someone this morning refreshed my memory. I didn't know who it was at the time.

Mr. WEITZ. Do you know when Mr. Campbell made the request?

Mr. PARR. No, sir.

Mr. WEITZ. Do you know what year?

Mr. PARR. I believe it was 1970, but I am not sure.

Mr. WEITZ. Was that the only request that he ever made of you for a contribution?

Mr. PARR. I believe there was—I believe there was two.

Mr. WEITZ. Two requests?

Mr. PARR. Yes.

Mr. WEITZ. What was the total amount, or what was the amount of each request?

Mr. PARR. I just don't recall.

Mr. WEITZ. Do you know why he made a request for you for a political contribution?

Mr. PARR. No; I don't even remember how the conversation went. "Would you consider," or something of that nature—I don't know.

Mr. WEITZ. It was made to you personally in his office?

Mr. PARR. No; over the telephone.

Mr. WEITZ. Over the telephone?

Mr. PARR. Yes.

Mr. WEITZ. Had you ever discussed political contributions with him, or the availability of moneys for political contributions?

Mr. PARR. I don't recall any specific instance.

Mr. WEITZ. Did he ask that the contributions be made in cash?

Mr. PARR. I really, really don't know how they were made.

Mr. WEITZ. Well, you know about the requests—were the requests made for cash?

Mr. PARR. No; I had completely forgotten about it until I was refreshed today about it.

Mr. WEITZ. Who did you pass the request on to, if you did?

Mr. PARR. Mr. Nelson.

Mr. WEITZ. In each case?

Mr. PARR. As I recall. Mr. Sale asked me a question of whether or not I asked Mr. Lilly, and I just cannot remember whether I talked to Mr. Lilly. It seemed to me that on further reflection—I was thinking about here, since I left there a while ago—that maybe Mr. Lilly asked me where it was to go, or who it was. I just do not recall the exact details.

Mr. WEITZ. Do you know whether the contributions were made as requested?

Mr. PARR. I suppose they were.

Mr. WEITZ. What do you mean by that?

Mr. PARR. Well, I just don't know. I just did not keep up with that type of thing.

Mr. WEITZ. But you passed on the request?

Mr. PARR. Yes.

Mr. WEITZ. Were they made by TAPE?

Mr. PARR. I just don't remember how they were made?

Mr. WEITZ. Mr. Campbell made these requests at two different times; is that right?

Mr. PARR. I believe so.

Mr. WEITZ. In making the second request, did he refer to the first request at all?

Mr. PARR. Not that I recall.

Mr. WEITZ. Did he ever complain to you that the first request had not been honored?

Mr. PARR. No, sir.

Mr. WEITZ. And when he made the second request, did he indicate that he hoped or expected that it would be honored?

Mr. PARR. I suppose so.

Mr. WEITZ. Did that indicate to you that the first request had been honored?

Mr. PARR. Well, I had not even given it a thought.

Mr. WEITZ. Why did you pass the request on, or why do you think Mr. Campbell even made the request to you in the first place?

Mr. PARR. I guess he was trying to help one of his friends down there.

Mr. WEITZ. Did he know that your organization was engaged in making political contributions?

Mr. PARR. Yes.

Mr. WEITZ. Did you ever discuss Presidential contributions with Mr. Campbell?

Mr. PARR. Not that I recall.

Mr. WEITZ. Did he know that you had delivered money to Mr. Kalmbach in 1969?

Mr. PARR. I don't remember discussing anything like that with him.

Mr. WEITZ. Did he know that you planned to make political contributions to the President's reelection, or were otherwise trying to support the President?

Mr. PARR. I think he knew we were trying to support the President.

Mr. WEITZ. With political contributions, among other things?

Mr. PARR. I don't know whether he knew that or not. I don't remember discussing with Mr. Campbell—I mean, the general knowledge that we had TAPE and that we were making contributions, but I don't remember any specific discussions with Mr. Campbell other than these two questions.

Mr. WEITZ. Well, if the contributions were made in cash and not from TAPE at all, can you explain why it would be true?

Does that in any way relate back to the original request?

Was there any reason for TAPE not to make the contribution for the matter to be reported, that you know of?

Mr. PARR. If, in fact, it were made in cash it would have been because it was requested that way.

Mr. WEITZ. And that request would have been through you?

Mr. PARR. It would have come—I would relate the message, yes.

Mr. WEITZ. But you do not really recall?

Mr. PARR. I do not really recall. I just do not know.

Mr. WEITZ. Well, we have talked about requests of Mr. Gleason, Mr. Belcher, Mr. Campbell. Are there any other requests that you can recall for political contributions made to you by Government officials in the period 1969-72?

Mr. PARR. Not that I recall.

Mr. WEITZ. Now, turning to the period 1970, did you meet in 1970 with Mr. Colson, Mr. Gleason, and Mr. Kalmbach in Mr. Colson's office?

Mr. PARR. Yes.

Mr. WEITZ. Was Mr. Nelson there with you?

Mr. PARR. I believe so.

Mr. WEITZ. What was the purpose of that meeting?

Mr. PARR. I believe we were supporting a group of Republican Senators.

Mr. WEITZ. In the 1970 campaign?

Mr. PARR. Yes, sir.

Mr. WEITZ. And were any Presidential contributions discussed at that meeting, or any in general—the discussion of support for the President discussed?

Mr. PARR. Well, we were expressing our interest in the President constantly, that he was well received, and I think it was pretty well understood that we were going to support the President.

Mr. WEITZ. Did you discuss at that meeting, though, any particular amounts that you had in mind?

Mr. PARR. I don't remember.

Mr. WEITZ. With respect to Presidential contributions?

Mr. PARR. I don't remember, Mr. Weitz.

Mr. WEITZ. Now, in 1970, do you recall, or did you meet with Mr. Colson a number of times in 1970?

Mr. PARR. The best I can remember, we met with Mr. Colson about three or four different times.

Mr. WEITZ. In 1970 or in all?

Mr. PARR. I'm trying to recall back 3 years. But it seems to me we met with him three or four different times. I just don't remember exactly.

Mr. WEITZ. Do you recall any meetings in which you discussed the amounts that you hoped or intended would be contributed by AMPI or TAPE, probably to the President's reelection, where you mentioned particular amounts?

Mr. PARR. I recall, as I told you before, that there was a discussion about \$1 million, and then the figure said \$2 million.

Mr. WEITZ. Now, what meeting was this, do you recall?

Mr. PARR. This was in Mr. Colson's office.

Mr. WEITZ. One of these meetings in Mr. Colson's office? Who else was present at that meeting?

Mr. PARR. Mr. Nelson—I don't know who else, but Mr. Nelson was.

Mr. WEITZ. Was Mr. Harrison present?

Mr. PARR. I just don't recall.

Mr. WEITZ. Did he usually accompany you with meetings to Mr. Colson?

Mr. PARR. It was both ways.

Mr. WEITZ. Some with, some without?

Mr. PARR. Yes.

Mr. WEITZ. And you were the one who mentioned, or did someone else mention the amounts of \$1 million, \$2 million?

Mr. PARR. I've been trying to recall that ever since. I don't know how. I just remember there was a discussion about \$1 million, and somebody mentioned \$2 million. It was done sort of in jest at that time, as I recall.

Mr. WEITZ. Now, were these amounts mentioned—these were the amounts that were discussed as the amounts that might be contributed to the President's reelection?

Mr. PARR. Yes.

Mr. WEITZ. Were these the amounts that were mentioned that would be contributed?

Mr. PARR. Well, I don't know how to phrase that, really.

Mr. WEITZ. Did you ever mention or tell anyone that you wanted to have TAPE contribute, or wanted to have contributed money to

the President's reelection in the amount greater than the Seafarers Union?

Mr. PARR. No, sir. I never said anything about the Seafarers.

Mr. WEITZ. How about the AFL-CIO?

Mr. PARR. I could have said that.

Mr. WEITZ. Did you ever tell that to Mr. Harrison?

Mr. PARR. Not that I recall. But I knew this. We were new on the political scene. Labor had been contributing for years, and agriculture had not made many contributions in Government.

Mr. WEITZ. Let me ask you this.

Mr. PARR. Yes, sir.

Mr. WEITZ. You said that certainly the leadership of your organization had been identified as Democratic from previous years?

Mr. PARR. Yes, sir.

Mr. WEITZ. At the beginning of the Nixon administration you did not know anybody in the administration. Could you tell us why you were interested in making contributions of \$1 million, \$2 million, or such large amounts for the President? Had you changed party affiliation?

Mr. PARR. Not me. No, I hadn't.

Mr. WEITZ. What was the purpose or the reason, as you understood it, for wanting to contribute those amounts of money to the President?

Mr. PARR. Well, it was my firm belief that the agricultural community has, for whatever reason—I do not know what reason, because it was misunderstood or what have you—never participated in Government fully. Every other organization was contributing large sums of money to Congress and to the Senators and to Presidents, and I read about different figures. And we all knew about all this, and we wanted to—I think the consensus of opinion was we wanted to let people know that we were, or had availability of these type funds.

Mr. WEITZ. Well, there are lots of ways of doing that. Why did you consider contributing so much to one candidate, that is, the President?

Mr. PARR. Well, at that particular time back in 1969-70, there was 40-some-odd-thousand-dairy-farmers in just AMPI and a lot of them were contributing \$8 a month, and you multiply that and it is quite a lot of dollars a month. And two other organizations had political trust funds.

Mr. WEITZ. Mid-America and Dairymen, Inc.?

Mr. PARR. They had 25,000 dairy farmers, and DI had 10,000. They were all set about the same way, and so the real issue was in 1972, the Presidential election for 1972, the idea being that the agricultural community had been under, through the Government policy, what is known in agricultural circles as a cheap food policy—have had support prices, but the support price had not only been the floor, it had been the ceiling. And we saw in the case of dairying that dairy farmers were going out at an alarming rate. I have forgotten how many dairy farmers we lost, but I mean, it had just gone down drastically. And one of the reasons has been the Government policies.

Mr. WEITZ. Was the purpose, then, for these contributions to gain a more favorable policy or policies from the Federal Government?

Mr. PARR. In my opinion, the reason for it was to get so that we could visit with Congressmen, Senators, Presidents, to give us an op-

portunity to present our case. And we looked at what other organizations had done and how they had performed, and agriculture was the lowest down on the totem pole, so there must be some correlation between political power, if you please, and being involved actively as labor and others have been, and we had not done that before into the 1960's.

Mr. WEITZ. Did you feel that if you did not make contributions, substantial contributions, perhaps of the magnitude that you were discussing, that you would not have an opportunity to either have access to the administration or influence Government policy in any way?

Mr. PARR. This was a new frontier to us, and I think the consistent opinion was that nobody had a book to go by, and we were just doing the best we could as to what we were trying to accomplish at that time.

Mr. WEITZ. By making such contributions, did you feel that that would permit you to have access and influence Government policy?

Mr. PARR. Well, I have heard of people who say they have friends, and you hear about Congressman so and so is a friend of so-and-so type business, and another Congressman is a friend of so-and-so type of business, and generally when you look back you find the reason being that for some reason they have been supporting them or not supporting them, according to the way they have been voting, their interests and what have you.

Mr. WEITZ. Including contributions?

Mr. PARR. I guess so.

Mr. WEITZ. Did there come a time in 1970 when you met with Mr. Kalmbach, Mr. Colson and Mr. Tom Evans to discuss contributions?

Mr. PARR. I don't know when it was.

Mr. WEITZ. Was it in 1970, do you recall?

Mr. PARR. I don't recall.

Mr. WEITZ. Did you attend that meeting just after having come from a meeting with the Secretary of Agriculture with Mr. Nelson and Mr. Harrison?

Mr. PARR. I don't recall that.

Mr. WEITZ. Who was present at that meeting, the meeting of Mr. Evans and Mr. Colson and Mr. Kalmbach? Anyone else in addition to yourself?

Mr. PARR. I don't remember.

Mr. WEITZ. Was Mr. Nelson there?

Mr. PARR. I don't remember whether Mr. Colson was there or not.

Mr. WEITZ. Mr. Evans was there?

Mr. PARR. I remember Mr. Evans was.

Mr. WEITZ. Was that the first time you met him?

Mr. PARR. I don't remember the first time I ever met him. I don't know what date it was. But I did meet a Mr. Evans.

Mr. WEITZ. At that meeting?

Mr. PARR. At a meeting. I don't know when it was.

Mr. WEITZ. And you recall him being at this particular meeting with Mr. Kalmbach or at a meeting with Mr. Kalmbach and, or at least with Mr. Kalmbach and yourself?

Mr. PARR. I can't get Mr. Kalmbach and Mr. Evans at the same meeting.

Mr. WEITZ. You don't remember meeting with the two of them?

Mr. PARR. At the same time, no.

Mr. WEITZ. Do you remember meeting Mr. Evans in some meeting?

Mr. PARR. Yes.

Mr. WEITZ. And you were there, you recall. Were there any other attendance?

Mr. PARR. I don't know when it was, Mr. Weitz. I believe Mr. Hillings was there, Mr. Harrison, Mr. Nelson, Mr. Evans, and myself.

Mr. WEITZ. And what was the purpose of the meeting?

Mr. PARR. That was discussions of these committees.

Mr. WEITZ. What committees?

Mr. PARR. The ones that were made in 1971, as I recall.

Mr. WEITZ. Was the purpose to discuss contributions to the President?

Mr. PARR. Yes.

Mr. WEITZ. Through multiple committees to receive such contributions?

Mr. PARR. Yes.

Mr. WEITZ. Was this the first such meeting you attended at which multiple committees or committees had been discussed with relation to Presidential contributions?

Mr. PARR. Yes. I just don't remember. I think so. We met one time with Mr.—I guess the meeting you described with those people, and another time I met with Mr. Kalmbach. I met him with Mr. Colson.

Mr. WEITZ. So you remember at least two meetings, in which Mr. Kalmbach and Mr. Colson were there, and one in which Mr. Evans was there with Mr. Hillings and Mr. Harrison.

And the purpose of these meetings, both meetings, was to discuss organizational committees for contributions?

Mr. PARR. Yes.

Mr. WEITZ. How many committees were envisioned? What were you talking about?

Mr. PARR. I have forgotten how many there were.

Mr. WEITZ. 100? More than 100? Several hundred?

Mr. PARR. I think it was 100. I just don't remember the number. I know there was quite a discussion about—Mr. Nelson had quite a lot of discussion with him about the committees. I just don't remember what the—

Mr. WEITZ. What was the purpose of having committees? Were they representing different candidates or just one candidate?

Mr. PARR. They were all from one party.

Mr. WEITZ. The President in particular?

Mr. PARR. Yes.

Mr. WEITZ. And what was in the need for various committees?

Mr. PARR. I just don't remember. That was—whether it was something—

Mr. WEITZ. Were you familiar at that time with the Corrupt Practices Act?

Mr. PARR. What is that?

Mr. WEITZ. Have you ever heard of it, the Federal Corrupt Practices Act, relating to political contributions?

Mr. PARR. I guess I have, but that name doesn't ring a bell with me.

Mr. WEITZ. Do you know when someone wants to give more than \$5,000—were you aware at that time of the need to have more than one committee receive such funds for it to comply with the law?

Mr. PARR. When something like that occurred—Mr. Nelson, being an attorney—that did not mean anything to me.

Mr. WEITZ. How much money was being discussed? How large were the contributions that were being planned?

Mr. PARR. I don't know whether I remember exactly or not.

Mr. WEITZ. Was it related to your, or consistent with your earlier meetings where \$1 million or \$2 million had been mentioned?

Was that the magnitude that was contemplated?

Mr. PARR. I just don't recall whether there was ever any exact amount mentioned or not mentioned.

Mr. WEITZ. But it was substantial?

Mr. PARR. Yes, sir.

Mr. WEITZ. What was the purpose in 1970, when the election was 2 years away?

Mr. PARR. Well, I didn't think this was—what I am talking about is in 1971.

Mr. WEITZ. I see, the meetings with Mr. Evans?

Mr. PARR. Yes.

Mr. WEITZ. That was the first time you ever met him, as I recall?

Mr. PARR. Yes.

Mr. WEITZ. How about the meeting you described between Mr. Colson, Kalmbach, and you?

Mr. PARR. That was 1972.

Mr. WEITZ. The meetings you recall were in 1972?

Mr. PARR. You asked me about another meeting there with Mr. Gleason, I believe, didn't you?

Mr. WEITZ. I believe previously we had—that was with regard to senatorial campaigns. But with regard to the Presidential campaign, your recollection is these meetings were in 1971?

Mr. PARR. I wouldn't be absolutely sure about that.

Mr. WEITZ. Was it after the 1970 election?

Mr. PARR. That slips by me. I just don't know when it was.

Mr. WEITZ. Just one final area before we recess this evening. Let me show you exhibit No. 1 to the Nelson deposition,* which is a copy of a letter, dated December 16, 1970, from Pat Hillings to the President. Have you ever seen a copy of that letter? Have you ever heard of, or other than what you have seen in the papers, or seen the letter? I want to ask you about some particular paragraph. If you don't remember the letter I can still ask you about it. Do you remember the letter?

Mr. PARR. I never saw that letter until I heard about it in the newspapers.

Mr. WEITZ. Now, the letter refers to the fact that AMPI contributed about \$135,000 to Republican candidates in the 1970 election. Is that in connection with the meetings that you had with Mr. Colson and Gleason in 1970?

Mr. PARR. I believe so. Yes, sir.

*See p. 6701.

Mr. WEITZ. It goes on to say, "We are now working with Tom Evans and Herb Kalmbach in setting up appropriate channels for AMPI to contribute \$2 million for your reelection." This is addressed to the President.

Does that refresh your recollection as to any meetings or conversations you were aware of at that point, prior to that, with respect to contributions through Tom Evans and Herb Kalmbach?

Mr. PARR. The Evans name—I met Mr. Evans, as I recall, at the Madison Hotel. But I don't exactly remember the time we met him.

Mr. WEITZ. But the time you met with Mr. Evans, whether it was before or after this meeting, was with respect to making substantial contributions to multiple committees to the President?

Mr. PARR. We were talking about the committees. Yes, sir.

Mr. WEITZ. Was that the first time that you understood these gentlemen had come together and discussed this with you and Mr. Nelson and so forth, that meeting?

Mr. PARR. Well, I did not know him.

Mr. WEITZ. And then it goes on finally to say, "AMPI also is funding a special project."

Mr. PARR. I don't know what that is.

Mr. WEITZ. Have you ever heard that terminology?

Mr. PARR. No, sir.

Mr. WEITZ. Did you know of any special projects, for example, that Mr. Colson had asked AMPI to organize for him?

Mr. PARR. No, sir, I didn't.

Mr. WEITZ. Finally, are you aware of whether Mr. Evans ever produced any committees to receive contributions?

Mr. PARR. No, sir, I do not.

Mr. WEITZ. Do you know whether Mr. Kalmbach did?

Mr. PARR. I don't know how that—

Mr. WEITZ. Committees were ultimately produced, but you are not clear whether Mr. Evans was in any way associated with that?

Mr. PARR. No, sir, I don't know how it was.

Mr. WEITZ. Is it your understanding of the committees that we will discuss tomorrow, that they were introduced in 1971, related back in some way to these meetings that you attended, discussing committees and contributions?

Mr. PARR. I didn't quite get that question.

Mr. WEITZ. Ultimately, committees were produced in 1971 which received contributions from the dairy trusts for the President's reelection?

Mr. PARR. Yes, sir.

Mr. WEITZ. Is it your understanding that those committees were the result of the efforts that came out of some of the meetings that you attended, or were the same committees that essentially were discussed at the meetings that you attended with Mr. Kalmbach and Mr. Evans and Mr. Colson?

Mr. PARR. Yes.

Mr. WEITZ. Well, we will recess until tomorrow morning.

[Whereupon, at 7:40 p.m., the hearing in the above-entitled matter was recessed, to reconvene at 8 a.m., Friday, December 21, 1973.]

FRIDAY, DECEMBER 21, 1973

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 8:15 a.m., in room G-334, Dirksen Senate Office Building.

Present: David Dorsen and James Hamilton, assistant chief counsels; Alan Weitz, assistant majority counsel; and Donald Sanders, deputy minority counsel.

Mr. WEITZ. Mr. Parr, just to clear up one matter we talked about yesterday, before I move on, I believe you referred yesterday to a \$5,000 payment which you received from Mr. Jacobsen in the Austin airport, and you were not certain for what purpose you received that money. Is that correct?

TESTIMONY OF DAVID L. PARR—Resumed

Mr. PARR. Yes.

Mr. WEITZ. Do you recall now what it was for?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. Now, on page 6430 of Mr. Jacobsen's testimony on Friday, December 14 of this year, Mr. Jacobsen was asked the following: "Did you ever deliver any money in cash or otherwise or whatever form to Mr. Parr for Wilbur Mills' campaign?"

And on that page the response is, from Mr. Jacobsen: "I know what you are talking about. I refreshed my memory. Yes, I delivered \$5,000 to David Parr for Wilbur Mills." And this, he indicates, was at the Austin airport. It was \$5,000 in cash in an envelope.

Mr. PARR. Did he say what date that was?

Mr. WEITZ. No, he does not recall either. Does that refresh your recollection as to the purpose of the payment from Mr. Jacobsen to you?

Mr. PARR. Yes, but it does not—I do not know whether that is the one—Lilly or Jacobsen.

Mr. WEITZ. On page 6431 I ask him: "Can we place it by year?" He said: "No, I really cannot. It was during Mr. Mills' Presidential ambitions."

My question: "So probably either 1971 or 1972, is that correct? Mr. Jacobsen: 'Yes'."

Does that help you in any way?

Mr. PARR. No. I would be glad to state that I know it went to a campaign, but I just do not know which one.

Mr. WEITZ. Did there come a time in 1970, when AMPI attempted to have the President attend its first annual convention?

Mr. PARR. Yes.

(6791)

Mr. WEITZ. Who was involved in contacting the administration or trying to obtain the President's attendance?

Mr. PARR. Do you mean from the dairy industry, by AMPI?

Mr. WEITZ. Yes.

Mr. PARR. Mr. Nelson and I.

Mr. WEITZ. Who did you contact in that regard?

Mr. PARR. We were working through Mr. Harrison, our attorney.

Mr. WEITZ. Now, you had met, I believe you testified, with Mr. Colson three or four times. In any of those meetings, did you discuss the President coming to your convention?

Mr. PARR. I am sure we could have.

Mr. WEITZ. Did you ever present any written paper? I know earlier yesterday we identified exhibit No. 2* with reference to an invitation to the President from Mr. Nelson in 1969. Was there any similar document or summary that you recall was prepared and delivered to anyone in the administration in connection with that invitation in 1970?

Mr. PARR. I do not recall exactly, Mr. Weitz. There could have been.

Mr. WEITZ. Mr. Colson, at that time when you discussed these matters, was he aware of your intentions and either past or present efforts to support the President, or support the Republican Party, for example, in connection with the senatorial campaign in 1970 and other matters?

Mr. PARR. Well, I just do not know whether he was or not.

Mr. WEITZ. But you have indicated to us that you did discuss with Mr. Colson from time to time, for example, your interest in contributing substantial amounts to the President's reelection, is that correct?

Mr. PARR. Yes.

Mr. WEITZ. Do you know what Mr. Colson or anyone else in the administration did, or who they talked to in connection with having the President attend your convention?

Mr. PARR. No; I do not.

Mr. WEITZ. Did the President attend your convention?

Mr. PARR. No, sir.

Mr. WEITZ. Did Secretary Hardin attend your convention?

Mr. PARR. Yes.

Mr. WEITZ. Did you speak to him, or do you know if anyone on behalf of AMPI spoke to him about that?

Mr. PARR. About Mr. Hardin's going?

Mr. WEITZ. Yes.

Mr. PARR. No, I did not go to the convention.

Mr. WEITZ. In 1970?

Mr. PARR. No, sir. I personally did not go.

Mr. WEITZ. Were you aware of the arrangements to have the Secretary attend the convention?

Mr. PARR. It seems to me that Mr. Hardin and Mr. Campbell went at the last minute in 1970. The school milk program in 1970 was not funded until about Labor Day. About the same time—well, in fact it was announced at that annual meeting.

Mr. WEITZ. And was that a program that AMPI was interested in?

Mr. PARR. Yes, all—

Mr. WEITZ. Dairy farmers?

Mr. PARR. All dairy farmers.

Mr. WEITZ. Was it the Secretary who made the announcement?

Mr. PARR. Yes.

Mr. WEITZ. And was the announcement that the program would be continued?

Mr. PARR. Yes.

Mr. WEITZ. Was it expanded from the previous year?

Mr. PARR. I do not recall. About the same dollar amount.

Mr. WEITZ. Had you discussed that matter previously with anyone in the Department of Agriculture, or anyone at the White House?

Mr. PARR. Yes.

Mr. WEITZ. You were pressing for a renewal of the program?

Mr. PARR. Yes, sir. It had been a longstanding program.

Mr. WEITZ. Did you discuss that with Mr. Colson?

Mr. PARR. I do not recall whether I discussed it with Colson or not. It was highly unusual for the administration—for school to be starting without the school milk program being funded. That is what was happening.

Mr. WEITZ. Did Secretary Hardin announce it at the meeting, or was it just announced at that time that it was instituted, or the program was renewed?

Mr. PARR. No, it was announced at that meeting.

Mr. WEITZ. By whom?

Mr. PARR. Mr. Hardin, as I understand it.

Mr. WEITZ. I see. Were you aware whether President Nixon talked by telephone with Mr. Nelson at the convention?

Mr. PARR. Yes.

Mr. WEITZ. Do you know how that came about?

Mr. PARR. Do you mean who arranged it?

Mr. WEITZ. Yes.

Mr. PARR. No, I do not.

Mr. WEITZ. Do you know what they discussed?

Mr. PARR. No, sir.

Mr. WEITZ. How did you know of the phone call?

Mr. PARR. It was just general knowledge that he got called.

Mr. WEITZ. Did Mr. Nelson ever discuss it with you specifically?

Mr. PARR. Well, I think—I am sure that he did. It was quite a highlight to get a call from the President on the telephone from California, but I do not remember anything specific about it other than just calling.

Mr. WEITZ. Shortly after that convention and phone call, did you and Mr. Nelson meet with the President in the White House?

Mr. PARR. Yes.

Mr. WEITZ. Was anyone else present at the time of that meeting?

Mr. GIBSON. Could we take a break here just one second?

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

I believe I had asked you whether you knew how the meeting with the President, yourself, and Mr. Nelson, shortly after the 1970 convention, came about?

Mr. PARR. I got the call, I believe, on a Sunday. I do not remember who I got the call from. But the President wanted to see Mr. Nelson and I on Wednesday, I believe it was, following the annual meeting.

Mr. WEITZ. Was this about a week after the meeting—the convention?

Mr. PARR. This was from the weekend to Wednesday.

Mr. WEITZ. But the meeting with the President was what—approximately 1 week or 2 after the annual convention?

Mr. PARR. No, sir. From the weekend.

Mr. WEITZ. Just several days?

Mr. PARR. Like Friday, Saturday, Sunday, Wednesday.

Mr. WEITZ. I see. Who contacted you?

Mr. PARR. I said I do not remember.

Mr. WEITZ. Was it Mr. Nelson?

Mr. PARR. It could have been. I mean, I just do not remember.

Mr. WEITZ. What was the purpose of the meeting?

Mr. PARR. Well, we had been trying to see the President ever since he got in office.

Mr. WEITZ. Through Mr. Colson and others?

Mr. PARR. Mr. Harrison, yes.

Mr. WEITZ. And was this to present to the President, or describe to him matters of interest to you?

Mr. PARR. Yes, sir.

Mr. WEITZ. What matters would then have been of interest to you, do you recall?

Mr. PARR. In other words, what dairy farmers were trying to do by their cooperatives; their intentions of trying to get themselves out of Government; not to depend on Government; acquaint them with the various and sundry types of ways this could be done. In other words, give him a general view of the dairy industry and the problems attached to it.

Mr. WEITZ. Would it include particular problems, such as, would you want to refer to import quota problems?

Mr. PARR. Imports.

Mr. WEITZ. Price supports?

Mr. PARR. Price supports, school milk programs.

Mr. WEITZ. You mentioned the school milk program. I just wanted to ask you.

Mr. PARR. Yes?

Mr. WEITZ. Before the issuance of that announcement order in September at the convention by Secretary Hardin, do you recall who else you spoke to? You said you spoke to Mr. Colson about it. Who else did you speak to?

Mr. PARR. I am sure we spoke to Mr. Hardin. We had talked. I am sure this was an industrywide problem. The entire dairy industry was quite alarmed at this not being done. I am sure that we had talked to Congressmen, Senators.

Mr. WEITZ. Besides the beneficial effect, or possible beneficial effect to schoolchildren as a result of the school program, can you estimate what amount of money or Federal subsidies were involved, or income to dairy farmers that were related to these school lunch programs?

Mr. PARR. Well, the school milk program is a very universal program for the consumers, the schoolchildren, and everyone. It has just been a very fine program for farmers and schoolchildren. I believe the funding of the bill is about \$100 million. I think it has been going on since the 1950's—three or four, I believe.

Mr. WEITZ. But it has to be reinstituted or renewed every year by the administration?

Mr. PARR. I believe that is correct.

Mr. WEITZ. And you were concerned that it had not been by the time of the annual convention?

Mr. PARR. School was opening, and I believe it was not funded, not appropriated. Funded, I believe that's what it was.

Mr. WEITZ. I believe you said that at one time or another you had met with Harry Dent in the White House, and also Jack Gleason?

Mr. PARR. Yes.

Mr. WEITZ. Do you recall discussing this matter of the school lunch program with them at any time?

Mr. PARR. Well, I just cannot remember specifically what we talked about to each individual there.

Mr. WEITZ. How about Mr. Chotiner? Do you remember meeting him and discussing either this or other dairy problems with him in the White House?

Mr. PARR. Any time we were in the White House we were trying to talk to them about dairy problems.

Mr. WEITZ. Mr. Chotiner?

Mr. PARR. Mr. Dent, Mr. Gleason, or Mr. Chotiner. Anybody.

Mr. WEITZ. You had met him while he was in the White House?

Mr. PARR. Yes.

Mr. WEITZ. And do you remember discussing dairy problems with him?

Mr. PARR. I am sure.

Mr. WEITZ. Was anyone else at the White House that you recall that you talked to about this program?

Mr. PARR. That we ever met?

Mr. WEITZ. About the school lunch program.

Mr. PARR. I do not remember particularly talking to them, Mr. Weitz, about the school milk program per se, because it was just—these things would come up from time to time.

Mr. WEITZ. How about Henry Cashen?

Mr. PARR. I do not know whether I talked to him about it or not either.

Mr. WEITZ. These are people that you talked to at the White House at one time or another about dairy problems?

Mr. PARR. That is correct.

Mr. WEITZ. Do you have any idea or understanding as to why the program had not been reinstituted or the announcement that you were waiting for made before that meeting, before the convention?

Mr. PARR. No, I do not.

Mr. WEITZ. Was there an attempt to cut it back or—do you have any idea why it was held up, why it was made so late that year?

Mr. PARR. No, I do not.

Mr. WEITZ. What was the substance of your discussion with people about it? Were you just saying, "When is it going to come out," or were you debating substantive points with them about the program, whether it should be reinstituted and at what level?

Mr. PARR. I do not recall all of the particular areas of it. I just know that school was about to open and it was not funded. I believe the correct word is "funding."

Mr. WEITZ. You did meet with the President and Mr. Nelson in September of 1970?

Mr. PARR. Yes, sir.

Mr. WEITZ. At the White House?

Mr. PARR. Yes, sir.

Mr. WEITZ. Was anyone else present that you recall?

Mr. PARR. I believe Mr. Colson was there.

Mr. WEITZ. Anyone else? Mr. Cashen?

Mr. PARR. No.

Mr. WEITZ. Did Mr. Colson bring you in to meet the President?

Mr. PARR. I believe that would be correct.

Mr. WEITZ. This was the first time that you met with the President?

Mr. PARR. President Nixon, yes.

Mr. WEITZ. Yes?

Mr. PARR. [Nods in the affirmative.]

Mr. WEITZ. What was discussed?

Mr. PARR. Well, Mr. Nixon—do you mean to tell you the discussion?

Mr. WEITZ. Yes. Who said what?

Mr. PARR. Well, Mr. Nixon said—the first thing we did was to get our picture taken with him.

Mr. WEITZ. Just the three of you?

Mr. PARR. Yes.

Mr. WEITZ. Not Mr. Colson?

Mr. PARR. No. And the second thing that happened, he got on his yellow cabinet and we all sat down and he said, "You people must have a real good organization. I have heard some very good things about it. I know that you tried every way in the world to get me to come, and I understand that you had a successful meeting. And when is your next one? I want to be there." I believe was the right word. And I believe we told him that our next one would of course be 1971, and that we did not really want him to come.

Then he said, "Well, I do not understand that."

We said, "We want you to come in 1972, and we will have it in Los Angeles, and we will have it in the coliseum, and we will have 100,000 people. And if you don't come we'll get the Democrat."

And that's when he said, "No, I want to come in 1971."

Now, we were sort of joshing with him then.

Mr. WEITZ. In fact, you hoped he would come to your 1971 convention, did you not?

Mr. PARR. Well—

Mr. WEITZ. You would have taken him any time, would you not have?

Mr. PARR. Certainly. Oh, certainly. And in 1972 we could have had quite a number of people at our meeting.

Mr. WEITZ. You mentioned that because you were trying to impress him with the growth of the organization?

Mr. PARR. Yes. Of course, we were not thinking about California, really, and said so.

Mr. WEITZ. But you were actually thinking about a meeting in Chicago in 1971 with upward of 30,000 and 40,000 people?

Mr. PARR. Yes.

Mr. WEITZ. You told him that?

Mr. PARR. I am sure that we did. And then he said something about, he would like to meet with our leaders later on, get to know our farmers better, and to work with Secretary Hardin on getting a meeting set up.

Mr. WEITZ. He was or you were to work with him?

Mr. PARR. He told us to talk to Secretary Hardin, as I recall it, and remind him. Well, anyway, to get a meeting arranged between then and early 1971.

Mr. WEITZ. This was in September, so sometime in the next 3 or 4 months?

Mr. PARR. Yes. He said sometime around the first of the year, as I recall his statement. I mean, he has got a tape, so I guess we will hear about it if you ever get it. I did not know we were being taped at the time.

Mr. WEITZ. Where was the meeting held?

Mr. PARR. In his——

Mr. WEITZ. In the Oval Office?

Mr. PARR. Yes, sir. The meeting lasted about 15 minutes.

Mr. WEITZ. Did he stand by his desk during the entire meeting, or did you meet, or sit away from the desk?

Mr. PARR. He sat behind his desk and we sat in front of his desk.

Mr. WEITZ. I see.

Mr. PARR. He also congratulated us on having a growing organization. And that was about all I recall he said.

Mr. WEITZ. Do you have any idea who gave him the information that he knew of concerning your organization, its growth, its size, its activity?

Mr. PARR. No; I am not sure who gave it to him.

Mr. WEITZ. You had given that information to Mr. Colson, among others, though?

Mr. PARR. Yes.

Mr. WEITZ. And he had come into the room and introduced you to the President?

Mr. PARR. Yes.

Mr. WEITZ. And I believe you had also discussed your interest in supporting the President by contributions and otherwise with Mr. Colson, is that correct?

Mr. PARR. Yes.

Mr. WEITZ. Did you discuss that with the President directly?

Mr. PARR. No.

Mr. WEITZ. Did you say, "We are big supporters of you and we want you to know we want to support you"?

Mr. PARR. Yes; I am sure we did that, because we faced up to the facts that he was very popular out in the Midwest.

Mr. WEITZ. Did you discuss any problems or substantive policies with him, dairy policies, dairy problems?

Mr. PARR. Well, I think we were there about 15 or 20 minutes, and we tried to give him a bird's-eye view of the cooperative, of what milk was. And I just do not remember all of the discussion we had. In other words, it was a very light-veined type of discussion. It was the first time we had ever seen him, the first time I had ever seen him.

Mr. WEITZ. He appeared knowledgeable, though, about your organization and activities?

Mr. PARR. He complimented us on the type of organization we had.

Mr. WEITZ. So apparently he had been informed of what you were doing and what the organization was?

Mr. PARR. Yes, sir. I guess so.

Mr. WEITZ. After that meeting, did you have any meetings with Mr. Colson in the fall, by the end of the year, about setting up a meeting with the President and other dairy leaders?

Mr. PARR. I have forgotten how we proceeded to this, when I first knew we were going to have a meeting with the President. But it seems to me it was sometime in January that Mr. Harrison visited with the administration people, told him about what the President had said. I believe Mr. Harrison was continuing to follow up on the meeting with the President. Then it seemed that it was sometime in January.

Mr. WEITZ. 1971?

Mr. PARR. Yes; that the meeting was getting close at hand, or something of that nature. I am not positive about that, but it seemed like that.

Mr. WEITZ. Now, in the fall—I think we showed you the Hillings letter of December 16 yesterday, and that referred to the question of import quotas. Were you aware of an effort by AMPI and other dairy people to obtain a decrease in import quotas in 1970?

Mr. PARR. Yes.

Mr. WEITZ. Did you meet or discuss that matter with anyone in the administration?

Mr. PARR. Yes.

Mr. WEITZ. Who did you meet with?

Mr. PARR. Met with Mr. Cashen, Mr. Colson. Of course, we met with the people at Agriculture.

Mr. WEITZ. Would that include the Secretary and Under Secretary, Hardin and Campbell?

Mr. PARR. Yes.

Mr. WEITZ. How about Mr. Chotiner?

Mr. PARR. I do not remember whether we met with Mr. Chotiner on that or not. You never knew. I mean, at least I never knew. We would try to, when we had a problem, the first thing we would do is to contact Mr. Harrison, and from there we would try to get to a point where somebody, either at the White House, because it seemed like more and more decisions are made at the White House than they are at Agriculture. I mean, you talk to somebody down in the dairy branch, and he said, "I'd love to help you, but you have got to talk to the people across the street." You go to the people across the street—and that's the top brass in Agriculture—they say, "We'd love to help you. We understand your problem. But you have to go across the street again." And then it goes to umpteen different bureaus. That is the way it worked.

Mr. WEITZ. You felt that you could try to short circuit that process if you could talk to someone in the White House?

Mr. PARR. We thought we could touch all the people who made decisions, so they could all understand what we were talking about. And we found that one of the biggest problems that we all have in Washington, the farm community, was to be understood, what this does or does not do.

Mr. WEITZ. Ultimately, the President did issue a proclamation with regard to import quotas in 1970?

Mr. PARR. Yes.

Mr. WEITZ. Did that generally accord with the requests of the dairy people? Did it satisfy you?

Mr. PARR. No, sir. Well, it was better than what we may be facing, but—

Mr. WEITZ. It did not go far enough?

Mr. PARR. No, sir.

Mr. WEITZ. But it was an improvement over, from your point of view, of then-existing levels?

Mr. PARR. Yes; I would say so. Yes.

Mr. WEITZ. Do you recall any specific meetings or conversations that you either attended or were told about with people in the administration or the White House with respect to the import quota question?

Mr. PARR. No; I do not remember any specific—all we wanted was for them to be familiar with the statistics as to what pounds of imports and what this would mean. I do not remember any specifics.

Mr. WEITZ. I believe yesterday you said that you had discussed your interest in making contributions with Mr. Colson and others from time to time, and that a figure such as \$1 or \$2 million had been mentioned. Was anyone, such as Mr. Colson or anyone else, either in the White House or connected with the Republican administration, or a fundraiser, told that if anyone connected with AMPI, that if committees were established to receive contributions, contributions of \$1 or \$2 million would be made by the dairy people?

Mr. PARR. I do not recall that.

Mr. WEITZ. Well, in what connection was \$1 or \$2 million discussed? Was it not mentioned in the context of, we can contribute as much as \$1 or \$2 million to the President?

Mr. PARR. At that time we had started the TAPE program in 1969, and we were trying to do it in order, as I recall—he was quite popular among the farm community, and as I told you, I believe yesterday, that Mr. Nelson and myself were both pro-democratic. Most of our people where we originated from were Democratic. And we had had quite a discussion; a lot of people from the north part of the country were Republican-orientated, and they were giving us a lot of flak about your record, your organization is just pro-Democratic.

Well, it was, I guess, our belief that President Nixon was going to be President for possibly another term. So I am sure that—and I believe that it was pretty well generally—I will not say—the right word, understood, I guess is the right word—that we were going to make substantial contributions to his 19—his next election.

Mr. WEITZ. 1972?

Mr. PARR. Yes.

Mr. WEITZ. When you say, "It was understood by the people you met with," do you mean those in the administration?

Mr. PARR. I am sure we were reporting to them that we were giving Mr. Harrison, for example, that—say, for example, in 1970, one of our arguments was that Mr. Nixon should come to Chicago. He was not being seen by anybody. We gave him that report. We gave him the report that farmers were getting disturbed about the prices they were receiving.

In other words, we were out in the Midwest. We were listening to the farmers, all types of farmers. We knew what was going on, and we were constantly trying to tell them that the President had gotten great

support in 1968. But they were getting unhappy with him. But at the same time they were Republican orientated. And that our interest was to get him to be concerned about the dairy problems.

Mr. WEITZ. Did you not also have an interest in having the President come to one of these conventions so as to increase the credibility and prestige of the leadership of the co-op and of co-ops generally?

Mr. PARR. Yes, sir.

Mr. WEITZ. So as to enable it to grow and attract new members?

Mr. PARR. Particularly a Republican President.

Mr. WEITZ. That's all you had at the time.

Mr. PARR. I know. But we were tabbed, as I said, as Democrats, and the organization was now from Wisconsin to Texas, and more people in Wisconsin and Minnesota than in Texas, for example.

Mr. WEITZ. Did you consider it necessary to contribute \$1 or \$2 million, as much as that, in order to both dispel this Democratic image, and also to attract the attention and general favorable relationship with the administration?

Mr. PARR. I do not know how to really answer that, Mr. Weitz, other than this. We had been reading for years of the political power, if you please, of labor union and the oil industry, airline industry, all of the various industries of America. But we had not read much about the farm industry, and we were becoming more urbanized in America at that time. And it looked to us that we must acquaint more people with agriculture. And so, that is the reason, the beginning of the idea of TAPE, is that if we made a contribution—all we wanted—the idea was to get in the door, so we could say to you, here is the problem of agriculture.

Mr. WEITZ. Is this similar to the reason the \$100,000 was given in 1969 to get in the door to present your problems?

Mr. PARR. To present our problems.

Mr. WEITZ. Let us turn now to 1971 and the effort with regard to the price-support decision of that year.

Mr. PARR. Fine.

Mr. WEITZ. Could you tell us what effort was made to obtain an increase, both in the administration or otherwise?

Mr. PARR. Do we just talk, or do you want to ask me a specific question?

Mr. WEITZ. Maybe I'll guide you through, but still give you some leeway so you can tell us what you know. Did there come a time in late 1970 or early 1971, when you began to meet—you, meaning representatives of the dairy industry—began meeting with representatives of the administration and the Department of Agriculture to obtain an administrative increase in the milk price-support level?

Mr. PARR. Yes.

Mr. WEITZ. Did you participate in any such meetings?

Mr. PARR. Yes.

Mr. WEITZ. Who did you meet with?

Mr. PARR. Well, during the—I do not know in which order and at which time, but we met with the Assistant Secretary, the Under Secretary, the Secretary. We met with people who were compiling statistics, the same types of statistics we were compiling. We would get statistics from them.

Mr. WEITZ. And you would present information and documents as to why you thought an increase was justified?

Mr. PARR. Yes, sir.

Mr. WEITZ. Did those presentations include analysis of the cost-price squeeze for farmers?

Mr. PARR. Everything we could think of to make——

Mr. WEITZ. And that was related in part to the increased feed costs from the previous year?

Mr. PARR. Yes; everything.

Mr. WEITZ. Did the people in the Department of Agriculture generally agree with your presentations, or did they have a different idea?

Mr. PARR. I always felt some of them were at least knowledgeable and sympathetic to our problem, and there was always a constant thought that we were going to be overproduced, and sales were going to go down, and on top of that, that we had a budget problem. They were always talking about a budget problem.

Mr. WEITZ. So they were not in full accord with your position?

Mr. PARR. No.

Mr. WEITZ. They disagreed in part with projections, or the possibilities of overproduction and so forth?

Mr. PARR. Yes. There was a constant disagreement as to the pounds of milk that were going to be produced and the sales.

Mr. WEITZ. For any given price level?

Mr. PARR. Yes. That whatever we were discussing at any particular year, not only the Nixon administration, the Johnson administration had the same problem.

Mr. WEITZ. Did you ever present to them the question of increased revenues that would generate more taxes if farm income went up?

Mr. PARR. I am sure that we did. We thought of everything that any economist could think up to make a case that was sincere, in our opinion, that best presented our position in a favorable light. We did.

Mr. WEITZ. Did you meet with anyone in the White House on the matter of milk price supports before the first decision in March?

Mr. PARR. No; I do not recall. The thing about the March 1971 decision was it came early, and it came early in March, when normally it would have been 15 or 20 days later.

Mr. WEITZ. Toward the end of March?

Mr. PARR. Yes, sir.

Mr. WEITZ. So it was unusually early, from your experience?

Mr. PARR. I think so.

Mr. WEITZ. Do you know why it was issued early?

Mr. PARR. No. It was issued one afternoon at—a Friday evening at 5 o'clock.

Mr. WEITZ. So the timing surprised you?

Mr. PARR. Yes, sir. Because we really had not——

Mr. WEITZ. Had you discussed with anyone as to why it was issued?

Mr. PARR. May I say this?

Mr. WEITZ. I'm sorry.

Mr. PARR. We had just started gathering the statistics, bringing them in. We had just really started trying to zero in on this problem when this thing was issued on us.

Mr. WEITZ. As late as March 12 you had not yet presented your statistics to the Department?

Mr. PARR. Well—see, what we always did about the first of March, as I recall, we started meeting with the Department of Agriculture. And we sort of were in the, I would say the first quarter. If you look at four quarters in a football game, we were in the first quarter, and they said all of a sudden, the game's over. That's the way I would describe it.

Mr. WEITZ. Are you familiar generally with the fact that the Department of Agriculture normally begins preparations, staff work and so forth for the milk price-support decision several months, as many as 3 or 4 months, ahead of time; is that your general experience?

Mr. PARR. I do not know when they start preparing themselves.

Mr. WEITZ. Do they start as late as March; is that your opinion?

Mr. PARR. No, we did not start as late as March either. We were all getting statistics and information together. I am talking about when you are getting ready to really have a discussion.

Mr. WEITZ. Were you partly surprised because a decision was made 11 days before your meeting with the President?

Mr. PARR. I am not even sure—

Mr. WEITZ. Or sometime before your meeting with the President?

Mr. PARR. No. At the time that the President's meeting was held; in other words, on March 23, when that meeting was originally thought about, I had no idea and I do not remember when we knew when we were going to have the meeting with the President.

Mr. WEITZ. Not specifically, and you did—

Mr. PARR. What I am trying to say, is I do not know whether I knew it March 12 or whether I did not know. I do not remember.

Mr. WEITZ. In September the President said he would like to meet with the dairy people the first of the year.

Mr. PARR. Yes.

Mr. WEITZ. And I believe you said you heard in January that preparations were being made for such a meeting.

Mr. PARR. That is correct.

Mr. WEITZ. And you knew that on March 12 you had not yet met with the President a second time.

Mr. PARR. That is correct.

Mr. WEITZ. Did you know at that time that sometime shortly in the future there would be this meeting with the President, or you thought there was going to be?

Mr. PARR. I would think so.

Mr. WEITZ. So was your surprise at the time in any way related to the fact that you had hoped to make your presentation to the President before the decision was announced?

Mr. PARR. No, no; we actually thought—I mean, let me get this straight here. Ask your question again.

Mr. WEITZ. You say the decision was issued from your experience early, unusually early?

Mr. PARR. Yes, that is correct.

Mr. WEITZ. And at the time of that meeting, in fact several months before, you were aware of preparations underway to arrange a meeting between the dairy leaders and the President?

Mr. PARR. That is correct.

Mr. WEITZ. At the time on March 12 that the decision was issued, were you aware that at sometime in the near future, even if you were

not sure of the exact date and time, there was to be such a meeting between the dairy leaders and the President?

Mr. PARR. I believe so.

Mr. WEITZ. Then I repeat my question.

Mr. PARR. Now, now——

Mr. WEITZ. When you looked at the decision and were surprised at its timing, did you think back in your mind, or was part of your surprise related to the fact that you had thought that the meeting with the President would come probably before or about the same time as the support decision?

Mr. PARR. I do not guess I had any thought on that either way.

Mr. WEITZ. You did not think, in other words, that you had tried to present your arguments on price supports to the President?

Mr. PARR. No; I did not think that we would have to do that.

Mr. WEITZ. Because you thought you would get it from the Department?

Mr. PARR. Yes.

Mr. WEITZ. I believe you testified that you were just getting into high gear in terms of statistics and so forth. Let me show you Townsend exhibit No. 3,* which is a memorandum from Associated Dairy dated February 24, 1971, entitled: "The Dairy Industry and the Public Interest: The Need for Price Support Increase."

Mr. PARR. Yes.

Mr. WEITZ. Have you ever seen that document, or a copy of that document?

[Pause.]

Mr. PARR. Yes.

Mr. WEITZ. Yes?

Mr. PARR. [Nods affirmatively.]

Mr. GIBSON. Let me see this a second.

[Pause.]

Mr. WEITZ. Is that document similar to—does that document, and other similar documents, if there were any, discuss and reflect the arguments that were being made by the dairy industry?

Mr. PARR. Yes.

Mr. GIBSON. Excuse me. Could we take just a short break here?

Mr. WEITZ. Yes.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Did you want to elaborate on your last answer?

Mr. PARR. Yes. When I say we had not gotten in high gear—accentuating what I am trying to say is, we had not brought in many people; we had not brought in our whole body of farmers and all of that. And they caught us short on that.

Mr. WEITZ. You had not mounted that program to any significance then?

Mr. PARR. We had mounted the statistics——

Mr. WEITZ. You had presented statistics and met with the people, but you had not brought in a lot of dairy farmers?

Mr. PARR. Yes, yes. That is correct.

Mr. WEITZ. Was the reason for that, and also your surprise at the timing of the decision and so forth, was that because you thought you

*See p. 6332.

would get a favorable decision from the administration—from the Department?

Mr. PARR. Yes. The timing was just——

Mr. WEITZ. In addition to the timing, did you also believe that you were going to get a favorable decision?

Mr. PARR. Well, we always believed that, all of the time.

Mr. WEITZ. You have to base it—I am not talking about optimism; I am talking about facts.

You had met with these people and had some experience with their reactions and you were familiar with your arguments, past history, and so forth. Did you believe that you were going to get a favorable decision and were you surprised by the unfavorable decision?

Mr. PARR. I was surprised by the unfavorable decision. And what else was it?

Mr. WEITZ. Well, that is good.

Mr. PARR. OK.

Mr. WEITZ. Before this first decision and while you were talking to people in the Department, were you also attempting to have Congressmen and Senators assist you in trying to obtain an administrative increase? Was that part of your effort?

Mr. PARR. Yes.

Mr. WEITZ. And in that regard did you and others meet with particular Congressmen and Senators to obtain their support?

Mr. PARR. Yes.

Mr. WEITZ. And to your knowledge did some of those Congressmen and Senators contact either someone in the administration or the Department to indicate that you had asked them to contact them and that they were in favor of an increase?

Mr. PARR. Yes.

Mr. WEITZ. But nonetheless, was there also any type of letterwriting program for constituents that you had tried to mount beforehand?

Mr. PARR. We had letterwriting programs from time to time.

Mr. WEITZ. Was there any letterwriting program that you recall in connection with trying to——

Mr. PARR. Mr. Weitz, one of my problems in trying to testify is that for 2 years I have not had information from the organization that I represented at that time to prepare myself. If I had access to AMPI's records like I did, I do not believe I would be quite as—I am just relying purely on my memory. That is all I have got.

Mr. WEITZ. I understand. But to your recollection, do you recall any letterwriting program that was mounted at that time in connection—say, January, February, early March?

Mr. PARR. We had one. I am not sure whether it was after Agriculture had announced its decision of March 12 or whether it was before, but we had one.

Mr. WEITZ. And if the records of the Department of Agriculture indicate that they received, and in fact have copies of, various letters that they received from both Congressmen, Senators, and dairy farmers and the dairy organizations throughout January, February, and March of 1971 seeking or favoring a price support increase, would that be consistent with your recollection of there being such an effort underway all through that period?

Mr. PARR. Yes.

Mr. WEITZ. Do you remember whether there were any bills introduced in Congress to raise the support level?

Mr. PARR. Yes.

Mr. WEITZ. Do you remember whether any were introduced prior to the first decision?

Mr. PARR. No, sir, I do not remember.

Mr. WEITZ. Now, after the first decision in which the price supports were not increased, what was undertaken to try to reverse that decision?

Mr. PARR. State your question again.

Mr. WEITZ. The first decision was unfavorable. What was done to try to reverse that?

Mr. PARR. We got legislation started through Congress.

Mr. WEITZ. To try to increase the support level?

Mr. PARR. Yes, sir.

Mr. WEITZ. To 85 percent?

Mr. PARR. At least 85.

Mr. WEITZ. If the bills introduced in Congress indicate that all but, I believe—

Mr. PARR. One or two.

Mr. WEITZ. One or two would set the level of a minimum of 85 percent; is that consistent with your recollection?

Mr. PARR. I believe that is correct.

Mr. WEITZ. And if they indicated that it would be for a 1-year period, is that consistent with your recollection?

Mr. PARR. I believe that is correct.

Mr. WEITZ. Were you aware that the support level that the Secretary announced, once announced, could not be reduced for a period of 1 year, until the following marketing year?

Mr. PARR. Once he announced the price support at a certain level?

Mr. WEITZ. For a year.

Mr. PARR. Yes, sir.

Mr. WEITZ. He could not reduce it?

Mr. PARR. He could not reduce it.

Mr. WEITZ. He could raise it but he could not reduce it.

Mr. PARR. That is correct.

Mr. WEITZ. And this effort to have legislation introduced and passed, was this instead of trying to obtain administrative increase or in conjunction with that?

Mr. PARR. In conjunction with.

Mr. WEITZ. You were still hoping to get a reversal by the administration?

Mr. PARR. [Nods affirmatively.]

Mr. WEITZ. During this period, both before the first decision and after the first decision, do you know who in particular was being contacted in the administration, the White House in particular, by the dairy people? Did you meet with anyone?

Mr. PARR. Mr. Harrison was the focal point of the White House.

Mr. WEITZ. So he was arranging various meetings?

Mr. PARR. Yes, sir. And there were so many people—I do not remember who all we met with but—and at what time we met with them.

Mr. WEITZ. Do you remember meeting with Mr. Whitaker—John Whitaker?

Mr. PARR. I do not remember. I am not saying we did not, but I just do not remember.

Mr. WEITZ. Did you meet with Mr. Colson again during that period?

Mr. PARR. I believe so.

Mr. WEITZ. Mr. Cashen?

Mr. PARR. I am not sure.

Mr. WEITZ. Mr. Dent?

Mr. PARR. I am not sure.

Mr. WEITZ. Do you recall when Mr. Chotiner joined the firm of Reeves & Harrison?

Mr. PARR. I believe it was in January.

Mr. WEITZ. 1971?

Mr. PARR. 1971, yes.

Mr. WEITZ. If the record showed it was in March of 1971, would that be consistent with your recollection or did you think it was earlier?

Mr. PARR. I thought it was. I am not sure.

Mr. WEITZ. But it was before the first decision?

Mr. PARR. I think so; yes, sir. I am not sure when he joined.

Mr. WEITZ. And when he joined the firm, did you meet with him, or were you aware of his efforts on your behalf to meet with White House people or others in efforts to obtain an increase?

Mr. PARR. I recall this; that he did not attend the meeting with us with the President. He had just sometime previously—I do not know the exact date; I am sure the record will show when he left—but he did not attend the meeting with us with the President and I really thought in my own mind that he was a much better known individual with the President than Mr. Harrison was, and I guessed the reason being that he just left the administration and was trying to—I just do not know that reason.

Mr. WEITZ. So you are not aware of whether or not he was meeting with people in the administration or the White House on the dairy price increase?

Mr. PARR. I am sure he did.

Mr. WEITZ. All right. Do you know who he met with?

Mr. PARR. I do not.

Mr. WEITZ. Is there anyone else that you can recall outside of the Department of Agriculture in the administration who was being contacted with regard to the dairy price-support question?

Mr. PARR. What do you—

Mr. WEITZ. Was anyone in contact with Mr. Connally?

Mr. PARR. Yes. I believe this is again where I do not know whether I have read or heard or what, but it seemed like to me that—I believe Mr. Jacobsen had talked to Mr. Connally.

Mr. WEITZ. Do you remember discussing this with Mr. Jacobsen?

Mr. PARR. I probably did.

Mr. WEITZ. Was he in Washington sometime in February or March?

Mr. PARR. Mr. Jacobsen?

Mr. WEITZ. Yes.

Mr. PARR. Yes.

Mr. WEITZ. Did you meet with him during that period, in part to discuss the dairy situation?

Mr. PARR. Yes, yes.

Mr. WEITZ. Do you remember what he told you about any meetings or contacts he had with Secretary Connally?

Mr. PARR. No, sir.

Mr. WEITZ. Do you know whether someone asked him to see Secretary Connally for you or whether he did it on his own?

Mr. PARR. We were all working, who all we knew.

Mr. WEITZ. It was, for the most part, a joint effort?

Mr. PARR. Everything was a joint effort.

Mr. WEITZ. Did he tell you what he had discussed with Secretary Connally?

Mr. PARR. I do not recall; I mean, at this particular time we were talking to various and sundry people and what somebody said and what somebody else did not say at the time did not register with me. All he was doing was saying, they have turned us down and now we are trying to get it. That is all I know.

Mr. WEITZ. Do you recall these contacts between Mr. Jacobsen and Mr. Connally, particularly Mr. Jacobsen and Mr. Connally, particularly with regard to reversing the first decision; in other words, after the first decision, trying to press ahead and remembering the contact with Connally after that?

Mr. PARR. He could have had a meeting with Mr. Connally either before or after; I just do not know. He would have to tell you that. I do not know specific dates.

Mr. WEITZ. Did he tell you whether Mr. Connally was opposed or in favor of an increase?

Mr. PARR. Well, again I do not know whether I read this or heard this, or I just think, that Mr. Connally, coming from rural America, knew something about the plight of the farmer. I would think he would be in favor of it.

Mr. WEITZ. Do you know of any contact between Bob Lilly and Mr. Connally during this period?

Mr. PARR. Again, I have read in the newspaper where they met.

Mr. WEITZ. Do you have any knowledge, personal knowledge, either from what you yourself know or what you have been told by others?

Mr. PARR. No.

Mr. WEITZ. Do you recall a brief meeting between Mr. Lilly and Mr. Connally at Page Airways in Washington, D.C.?

Mr. PARR. Yes.

Mr. WEITZ. Do you remember any particulars with regard to that meeting—how they came to meet there? First, let me ask you how they came to meet there. Were you there?

Mr. PARR. Yes.

Mr. WEITZ. You were at Page Airways?

Mr. PARR. Yes.

Mr. WEITZ. Did you meet with Mr. Connally also?

Mr. PARR. No.

Mr. WEITZ. Was Mr. Nelson there?

Mr. PARR. Yes.

Mr. WEITZ. Who else was there, that you can recall, from AMPI?

Mr. PARR. I believe Mr. Townsend.

Mr. WEITZ. Tom Townsend?

Mr. PARR. Yes.

Mr. WEITZ. Anyone else that you recall?

Mr. PARR. I do not recall anyone else.

Mr. WEITZ. What about Lynn Elrod, was he there?

Mr. PARR. He could have been. I just do not know, Mr. Weitz.

Mr. WEITZ. Was that the first time? Do you remember when this meeting took place?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. Was it before or after the first decision? Can you place it that way for us?

Mr. PARR. No, sir. I do not recall which way it was.

Mr. WEITZ. Was it during the time when you were working on obtaining an increase?

Mr. PARR. Yes, sir. It was during the time somewhere in March of 1971, I mean March of 1971, I know that.

Mr. WEITZ. What were you doing at Page Airways?

Mr. PARR. We were going home.

Mr. WEITZ. For the weekend?

Mr. PARR. I do not remember.

Mr. WEITZ. Or were you finished in Washington?

Mr. PARR. Well, we were going home. I guess it was the weekend. I don't know.

Mr. WEITZ. You were flying home by the company jet?

Mr. PARR. Yes, sir.

Mr. WEITZ. Had you seen Mr. Connally earlier that day before the meeting at the airport?

Mr. PARR. Had I seen him?

Mr. WEITZ. Yes.

Mr. PARR. Not that I recall.

Mr. WEITZ. Were you in a car being driven to Page Airways when you saw Mr. Connally pass in his Government limousine?

Mr. PARR. Yes.

Mr. WEITZ. Who was with you in the car?

Mr. PARR. I believe Mr. Lilly, Mr. Nelson, and Mr. Townsend. Those are the ones I recall.

Mr. WEITZ. And yourself?

Mr. PARR. Yes, myself.

Mr. WEITZ. Who was the driver? Was it a local cab driver that was hired by AMPI?

Mr. PARR. We did hire local cab drivers.

Mr. WEITZ. Do you recall the name Willy Pleasant?

Mr. PARR. Yes.

Mr. WEITZ. Was he the fellow driving that day?

Mr. PARR. I just do not know. He could have been.

Mr. WEITZ. What happened when the two cars passed on the way to the airport? Was it on the way to the airport?

Mr. PARR. Yes, sir, on the way to the airport.

Mr. WEITZ. What happened when the two cars passed?

Mr. PARR. Somebody saw Secretary Connally and said, there goes Secretary Connally. He was in his, I believe, limousine.

Mr. WEITZ. Was anyone with him or was he alone, other than the driver?

Mr. PARR. I believe his wife was with him. I am not sure about that.

Mr. WEITZ. Have you ever met his wife?

Mr. PARR. No. I have seen pictures of her. I am not sure—

Mr. WEITZ. When you got into the car where did you leave from to go to the airport that day?

Mr. PARR. I suppose we left from the Madison Hotel.

Mr. WEITZ. Did you all leave together, the four of you in the car?

Mr. PARR. I believe so.

Mr. WEITZ. Do you remember leaving from Mr. Harrison's office at 1701 Pennsylvania Avenue?

Mr. PARR. I do not know where we left from.

Mr. WEITZ. Do you remember when you got in the car and someone told the driver to try to get to the airport to catch John Connally before he left?

Mr. PARR. No.

Mr. WEITZ. To your recollection you did not know that Mr. Connally would be at the airport when you were there or would be leaving that day from the airport?

Mr. PARR. No.

Mr. WEITZ. When someone saw Mr. Connally's car passing on the way to the airport, was there any discussion about trying to talk to him at all, at any time?

Mr. PARR. Yes. I would think there probably was discussion about that.

Mr. WEITZ. To talk to him about the milk price-support decision?

Mr. PARR. Yes.

Mr. WEITZ. To try to gain his assistance?

Mr. PARR. Yes. I would say so, yes.

Mr. WEITZ. Do you know at that point whether Mr. Jacobsen had already talked to him about that?

Mr. PARR. If I knew the time—I know that Mr. Jacobsen may have talked to Mr. Connally but I do not know—

Mr. WEITZ. And when you got to the airport Mr. Connally was still there or was there—

Mr. PARR. I do not know who got there first, whether he passed us or we passed him.

Mr. WEITZ. But both of you were at the airport, your group and Mr. Connally, for some period at the same time that day?

Mr. PARR. I do not know how long a period, but we were there; yes, sir.

Mr. WEITZ. How did it come about that Mr. Lilly met with Mr. Connally?

Mr. PARR. I do not know exactly how that was done. I do recall that Mr. Lilly—that is the only one I recall—they were at one end of the airport.

Mr. WEITZ. Who—Mr. Connally?

Mr. PARR. And Mr. Lilly, yes.

Mr. WEITZ. Did you see them meeting or talking?

Mr. PARR. Well, I do not know if I saw them. It is not a very big place there and I do not know exactly where it was in the airport that they met. We were all getting our luggage ready to go and I do not remember exactly the setting of it.

Mr. WEITZ. Had you ever met Mr. Connally before that day?

Mr. PARR. Yes.

Mr. WEITZ. How many times?

Mr. PARR. I believe I had seen him three times.

Mr. WEITZ. Seen him or met with him?

Mr. PARR. I do not think I had ever had a personal meeting with Mr. Connally.

Mr. WEITZ. So, would it be fair to say he did not know you and you only knew him by sight?

Mr. PARR. I think that is correct. I would like to claim I knew him, but I did not know him.

Mr. WEITZ. How about Mr. Nelson? Did he know Mr. Connally?

Mr. PARR. Yes.

Mr. WEITZ. Did he know him very well? Had he met with him frequently, to your knowledge?

Mr. PARR. Well, he was Governor of Texas.

Mr. WEITZ. Mr. Connally?

Mr. PARR. Mr. Connally. Excuse me; yes, sir. I am sorry. And Mr. Nelson had been in Texas for a number of years, and Mr. Connally had been Governor, so I am sure he had met him and I am sure had meetings with him.

Mr. WEITZ. How about Tom Townsend? Did he know Mr. Connally?

Mr. PARR. I think he was probably in the same boat I was.

Mr. WEITZ. I beg your pardon?

Mr. PARR. I said I suspect he was in the same boat I was in.

Mr. WEITZ. How about Mr. Lilly? Did he know Mr. Connally?

Mr. PARR. Yes, I am sure he did, because he was working for the dairy farmers in Texas for a number of years. He had also worked for the Farm Bureau and had been in Austin numerous times, I am sure.

Mr. WEITZ. As a lobbyist or as a representative?

Mr. PARR. Yes, yes. As a representative.

Mr. WEITZ. And your understanding was that he had met with State government officials numerous times?

Mr. PARR. Yes.

Mr. WEITZ. Would that have included Mr. Connally? Did he meet with Mr. Connally on at least several occasions or numerous occasions?

Mr. PARR. I would think so. I could not verify it.

Mr. WEITZ. That was your understanding?

Mr. PARR. I would think so.

Mr. WEITZ. Did Mr. Lilly go over to talk to Mr. Connally wherever he was in the airport?

Mr. PARR. Or did Mr. Connally come to see him, is that the—

Mr. WEITZ. Either way.

Mr. PARR. I would think that Mr. Lilly went to see him.

Mr. WEITZ. Just out of deference to the Secretary?

Mr. PARR. Yes, I would think so.

Mr. WEITZ. When he went off to see him, did you go try to go and talk with and meet Mr. Connally about the same time?

Mr. PARR. I would not have had any objection to it, but I did not talk to him.

Mr. WEITZ. You did not talk to him, but you would have had no objection to talk to him; in fact, you would have wanted to talk to him if you could?

Mr. PARR. I would have had no objection whatsoever.

Mr. WEITZ. Did you try to leave the group that you were standing with and go over and meet the Secretary?

Mr. PARR. I do not recall whether I did or not.

Mr. WEITZ. Did you start to, and do you recall if Mr. Nelson was telling you, "Don't go; let Bob go tell him"?

Mr. PARR. If he said that, that is what I did, then.

Mr. WEITZ. Do you have any recollection?

Mr. PARR. That sounds logical, but I do not remember the circumstances.

Mr. WEITZ. Do you recall Mr. Nelson's saying to you: "Don't go; let Bob talk to him. Bob knows him"? Do you recall that?

Mr. PARR. Something like that. I believe something like that makes sense.

Mr. WEITZ. You do not specifically recall it?

Mr. PARR. I just recall, Mr. Weitz, that there was a discussion. There was something—I believe that is correct. I believe that is correct.

Mr. WEITZ. How long did the discussion between Mr. Lilly and Mr. Connally take?

Mr. PARR. To the best of my recollection, not very long.

Mr. WEITZ. A couple of minutes?

Mr. PARR. A few minutes, yes.

Mr. WEITZ. And what happened when Mr. Lilly returned? Did he come back to the group?

Mr. PARR. Yes.

Mr. WEITZ. Did he tell you what he had talked about with the Secretary?

Mr. PARR. I do not recall any specific—

Mr. WEITZ. Do you have a general recollection of the substance of what he said or the impression he gave you about his meeting with the Secretary?

Mr. PARR. No, sir.

Mr. WEITZ. Did he talk to Mr. Connally about price supports?

Mr. PARR. I suppose so. That is what we were working on.

Mr. WEITZ. But you do not remember?

Mr. PARR. I do not remember what?

Mr. WEITZ. You do not remember whether he told you what he had talked about or whether he referred at all to the price-support effort at that time?

Mr. PARR. I just do not—I recall I have read in the paper what he is supposed to have said, but I do not recall it.

Mr. WEITZ. Do you recall whether he indicated that the Secretary had either expressed optimism or pessimism about the price-support decision?

Mr. PARR. Honestly, I do not. Let me hasten to say this: In my dealings with people, I do not consider what they are telling me. That is just one part of whatever it is. If something is done, I just catalog it. I don't put any stock—

Mr. WEITZ. So it is not surprising to you that you do not recall whether he indicated one way or the other how the Secretary felt?

Mr. PARR. No, sir, because I just—I mean, in Agriculture you can just hear—you go out here today and you can hear that they are going to have a shortage of this and a surplus of this, and there are so dog-

gone many rumors in Agriculture that I just got used to letting it flow off of my mind.

Mr. WEITZ. Do you remember anything else that was said at that point in connection with Mr. Lilly's discussion with Mr. Connally?

Mr. PARR. No, sir.

Mr. WEITZ. After this brief discussion, did your group fly out of Washington?

Mr. PARR. Yes.

Mr. WEITZ. And where did you fly to?

Mr. PARR. Little Rock.

Mr. WEITZ. On the company jet?

Mr. PARR. Yes, sir.

Mr. WEITZ. Directly to Little Rock?

Mr. PARR. Yes.

Mr. WEITZ. Do you remember who the pilot or pilots were for the company?

Mr. PARR. Well, I think there were about four.

Mr. WEITZ. But on that occasion?

Mr. PARR. No, sir. I do not recall who it was, and I did not have charge of the jet, and I just do not remember who the pilot was.

Mr. WEITZ. Do you know where the plane flew to after leaving you and Mr. Townsend, I assume, in Little Rock?

Mr. PARR. No, sir. I guess it went on to San Antonio.

Mr. WEITZ. You and Mr. Townsend got off in Little Rock?

Mr. PARR. If Mr. Townsend was with me, and I think he was, we got off in Little Rock; yes, sir.

Mr. WEITZ. And that left Mr. Lilly and Mr. Nelson?

Mr. PARR. Yes. Whoever else was there.

Mr. WEITZ. And they lived at that time in San Antonio?

Mr. PARR. Yes, sir.

Mr. WEITZ. Do you recall any discussion about—do you know where Secretary Connally was going that day?

Mr. PARR. I guess he was going to Texas. I do not know.

Mr. WEITZ. Did anyone offer him a ride?

Mr. PARR. No, we would not be offering him a ride. He was going to the airport. He would have had some kind of transportation.

Mr. WEITZ. Do you recall any discussion concerning his destination or the airplane he was to take?

Mr. PARR. No, sir. It seemed like we were wondering whose plane he was on.

Mr. WEITZ. Who were you wondering this with? Was it discussed among you?

Mr. PARR. I guess. I mean, I don't mean to say I guess—I guess so.

Mr. WEITZ. Yes?

Mr. PARR. Yes.

Mr. WEITZ. Did anyone reach a conclusion or find out anything about where he was going or how he was flying there?

Mr. PARR. Well, he was in a private jet and I do not think that it was a Government plane.

Mr. WEITZ. Your company plane was a Saberliner, was it not?

Mr. PARR. Yes.

Mr. WEITZ. Was Mr. Connally flying in another Saberliner, do you recall?

Mr. PARR. I am not that familiar with airplanes.

Mr. WEITZ. But did someone mention—you might not notice it yourself, but do you recall anyone mentioning his flying on another Sabreliner or in that Sabreliner?

Mr. PARR. I just do not recall. It seems like, to me, that they got the—oh, yes. I believe you can tell whose airplanes are whose by the numbers on the whatever it is, the side of the aircraft.

It seems like, to me, that there was a discussion of looking up the number, but I am hazy on that. If you can refresh my memory, maybe I could, but since you brought it up there is something. Maybe they looked up the numbers.

Mr. WEITZ. "They" being the pilot?

Mr. PARR. Yes, sir.

Mr. WEITZ. Do you recall whether they told you, or whether you heard that they found out where he was flying on his plane?

Mr. PARR. I do not know but they were always looking up numbers.

Mr. WEITZ. You do not happen to recall what the number on his plane was?

Mr. PARR. Oh, no, no.

Mr. WEITZ. After the first decision, and before the second decision in March of 1971, do you recall any particular meetings you had with administration officials, Congressmen, Senators, or any one of the dairy people relating to the milk price-support decision? Can you be any more specific, or recall any particular meetings?

Mr. PARR. Could you repeat?

Mr. WEITZ. Do you recall any meetings with Mr. Harrison and Mr. Nelson, for example, discussing the price-support decision, and so forth?

Mr. PARR. I am sure we met, but I do not remember any specific—

Mr. WEITZ. Do you recall a meeting with Mr. Harrison, Mr. Nelson, and Mr. Jacobsen at which time the question of contributions and any meeting or meetings with Mr. Connally were discussed?

Mr. PARR. No, sir. I don't recall anything about that.

Mr. WEITZ. Do you recall any discussions about contributions or commitments of moneys in connection with obtaining the assistance of Secretary Connally to help you get a price-support increase—not necessarily contributions to him, but just making contributions or committing moneys in order to obtain his help?

Mr. PARR. Not specifically, I do not.

Mr. WEITZ. Do you recall any discussion at any time of a commitment of new money by the dairy people in order to obtain Mr. Connally's assistance at the time you were discussing Mr. Connally's assistance?

Mr. PARR. Again, I read that in the paper. I never heard that, to my knowledge.

Mr. WEITZ. Do you recall any discussions in March of 1971 or around that time concerning a particular additional commitment or a contribution in the amount of \$250,000, making such a commitment or making such a contribution?

Mr. PARR. No, sir. I do not remember that.

Mr. WEITZ. Were political contributions discussed in March of 1971?

Mr. PARR. I am sure that they were.

Mr. WEITZ. Were you a party to any such discussions?

Mr. PARR. I do not recall anything specifically.

Mr. WEITZ. You had discussed with Mr. Colson at some point, from time to time, political contributions. Mr. Hillings had indicated in his letter to the President an effort to raise \$2 million for his election. Was anything discussed during this period about moving forward with those projects, having committees organized, making contributions to such committees?

Mr. PARR. Mr. Weitz, I do not recall any. If you have something that can refresh my memory—I do not recall any.

I know this: After the decision was not made, we were spending our time on trying to get legislation. We were convinced that was the only way we were going to get it.

Mr. WEITZ. In that connection, you met with Congressmen, Senators, to try to obtain their support for such legislation?

Mr. PARR. Yes.

Mr. WEITZ. And such legislation was ultimately introduced. We have referred to it before, I believe.

Mr. PARR. Yes.

Mr. WEITZ. At the same time, I take it others were meeting, such as Mr. Harrison, with people in the White House?

Mr. PARR. Well, at that time we had everybody who worked for dairy cooperatives and staff members and board members and everybody was in the Washington area discussing with anybody, Congressmen, Senators, Agriculture, consultants—everybody was discussing this matter.

Mr. WEITZ. Did there come a time that you met with the President in March of 1971?

Mr. PARR. Yes.

Mr. WEITZ. Who arranged that meeting?

Mr. PARR. Well, I guess it was arranged between Mr. Harrison's office and the Secretary.

Mr. WEITZ. Did you have anything to do with it, or were you just told that the meeting was to take place?

Mr. PARR. No. Of course, we had always been trying to see the President, and always trying to talk to—to see the President.

Mr. WEITZ. When did you first learn that the meeting was to take place, with some specifics?

Mr. PARR. I just do not recall the exact date.

Mr. WEITZ. In your antitrust deposition that you have given in the litigation that has been consolidated for pretrial discovery involving AMPI in Kansas City, on page 712 you were asked about arrangements for meetings with the President, and you were asked:

Who arranged the meeting? Do you know? Did you call the President, or did you have some intermediary arrange it for you?

ANSWER: I think I arranged it.

Do you recall how you went about it?

ANSWER: Dial 202-6114.

Mr. PARR. Yes, sir.

Mr. WEITZ. Did you arrange the meeting?

Mr. PARR. No, sir. But I am not saying—I was trying to—that was after about 3 days of testimony, and people just—I shouldn't have said that like that. I just wanted to let them know that I knew the number of the White House. I was just getting upset, to tell you the truth.

Mr. WEITZ. Of course, this effort to meet with the President, as you say, had begun earlier. You mentioned there was an effort to, an intense effort which you had favored to get legislation introduced after the 12th, rather than keep working on the administration, particularly after the first decision. Why was that? Obviously, the administration had the power to reverse itself. Did you feel that it was useless, that the people over there at Agriculture and the Budget were opposed?

Mr. PARR. No. In other words, once the administration—Agriculture and the administration had made the decision not to do it, the only thing that we knew to do was to try legislation, because it was either administrative or legislative.

Mr. WEITZ. Right.

But as we indicated earlier, you were aware that the level could be increased during the year. It cannot be decreased, but it can be increased by the Secretary.

Mr. PARR. Yes.

Mr. WEITZ. So if he set it at \$4.66, it could be increased at any time?

Mr. PARR. Oh, yes.

Mr. WEITZ. Why did you decide, or why were you not interested in pursuing the matter at Agriculture to get them to increase it, to get him to change his mind?

Mr. PARR. Because we felt that it was economically feasible. It should have been done in the first place, and we could not see why in the world it was not done.

Mr. WEITZ. Obviously, they disagreed with you. Someone disagreed with you.

Mr. PARR. Yes.

Mr. WEITZ. And is that the reason you did not pursue it there as vigorously?

Mr. PARR. Where?

Mr. WEITZ. At Agriculture.

Mr. PARR. Oh, we kept pursuing it at Agriculture. Yes, we kept pursuing it at Agriculture, even though we were at the legislative. In fact, we were reporting regularly to Agriculture that we had many more sponsors, and I recall on several instances that some of our people would let the Agriculture people know that, or we did it in person, or somebody else would call. You can imagine. Numerous people—it was just numerous people, each one trying to put his input into this effort. But we were letting the Agriculture people know we were getting 10 more each day, and they were telling us, "That is all you are going to get." And we will say, "Well, we have got 17 more tomorrow." And they would say, "That's all you are going to get." And we will say, "We have five more tomorrow," and they'd say, "That's all you're going to get." And we'd say, "We have 15 more tomorrow." And we just—we were playing a—

Mr. WEITZ. What relation did that have to the cost-price squeeze on farmers?

Mr. PARR. What?

Mr. WEITZ. What relationship did that have with the cost-price squeeze on dairy farmers?

Mr. PARR. What had?

Mr. WEITZ. Telling the Agriculture people about the number of people in the Congress who were supporting the bills?

Mr. PARR. Oh, we were trying to tell the people in Agriculture that they made a mistake, and that there was going to be legislation, that the President ought to reverse himself.

Mr. WEITZ. Did you present any new economic arguments to them?

Mr. PARR. I am sure that we did.

Mr. WEITZ. What new economic arguments?

Mr. PARR. Well, you just keep repeating what you have already said, and you try to come up with a new—get your economic people together and say, "What else can we show those durned people there? They don't understand what has happened."

Mr. WEITZ. Do you recall any new arguments or new ways of expressing old arguments?

Mr. PARR. The record would show it. I do not know what all documents we had, but we had them by boxfuls.

Mr. WEITZ. On March 22, 1971, I believe the records of TAPE indicate that a contribution of \$10,000 was made to four Republican National Committees. Were you aware that such a contribution was being made around that time?

Mr. PARR. I know we went to a Republican fundraising event along that time.

Mr. WEITZ. Did that have anything to do with the price-support effort? Not the holding of the dinner, but your attendance?

Mr. PARR. I do not know whether it did or not.

Mr. WEITZ. Did you go to the dinner?

Mr. PARR. Yes.

Mr. WEITZ. Were you aware of the contributions that had been made to purchase tickets and other contributions?

Mr. PARR. Yes.

Mr. WEITZ. And were you told why those contributions were made?

Mr. PARR. Well, I know that during the—I believe that dinner was held around the 24th of the month, Mr. Weitz, and I know that I had advised them not to go.

Mr. WEITZ. You were against going?

Mr. PARR. Yes, sir.

Mr. WEITZ. You were against buying tickets and contributing?

Mr. PARR. Yes, sir.

Mr. WEITZ. Why was that?

Mr. PARR. Because I thought—well, I just did not like to be going someplace when somebody had already, I thought, not treated us right.

Mr. WEITZ. That day, the Republicans, or the administration in particular?

Mr. PARR. Yes, sir.

Mr. WEITZ. So even though you said efforts were still being made at Agriculture your focus was on the bills, the congressional bills, and you did not feel there was much point in contributing to the Republicans?

Mr. PARR. I never thought that.

Mr. WEITZ. At that point?

Mr. PARR. Well, I did not think, you know that—he had made his decision, and leave it alone. And the only thing we had to do was go for legislation.

Mr. WEITZ. You have told us that your discussions about \$1 or \$2 million to the President was because of previous identification

with the Democratic candidates, and an effort to show your Republican farmers that you were supporting President Nixon who you felt, at one point at least, was favorable to farmers,

Now why, in March of 1971, would the question arise as to going to that dinner, buying tickets and contributing \$1,000 a plate to the Republican Party? Did you change your mind? Was it because of the price-support decision, the first decision against you?

Mr. PARR. Of course, we went to the dinner that night. We did not know what the decision was going to be.

Mr. WEITZ. You knew the first decision?

Mr. PARR. Oh, yes. We knew that.

Mr. WEITZ. And you were against going to the dinner because of it?

Mr. PARR. Yes, sir.

Mr. WEITZ. So when the President felt favorable to you the year before, you were in favor of contributions. But when the first decision came down on March 12 you were against contributions in that month?

Mr. PARR. I never did like to help anybody who was going to be against me.

Mr. WEITZ. And conversely, did you like to help people who were going to help you?

Mr. PARR. Yes, sir.

Mr. WEITZ. And do you like them to know that is a way of conveying your support?

Mr. PARR. That is what I was taught.

Mr. WEITZ. Do you remember discussing, particularly with those attending the dinner or contributing, buying tickets to the dinner?

Mr. PARR. I don't remember any.

Mr. WEITZ. But you were aware that contributions were made and tickets were purchased for the dinner?

Mr. PARR. Well, I guess we knew that the dinner was going to be held sometime before, and I am sure that we went to fundraising dinners just as an ordinary course. People call you and contact you, and I am sure they had contacted us.

Mr. WEITZ. But nonetheless, you were opposed to going to this one?

Mr. PARR. I was opposed.

Mr. WEITZ. Because of the first decision?

Mr. PARR. Yes, sir.

Mr. WEITZ. You met with the President on the 23rd?

Mr. PARR. Yes, sir.

Mr. WEITZ. At any time on the day of the 23rd or that night or the day of the 24th, did you have any further discussions about contributions to the President or to Republican committees?

Mr. PARR. I do not recall.

Mr. WEITZ. How about the afternoon when you came back from the meeting with the President?

Did you talk with Mr. Jacobsen or Mr. Harrison or Mr. Nelson about those matters?

Mr. PARR. It seems to me that when we came back from our meeting with the President I started back again on legislation.

Mr. WEITZ. You still were not interested in the meeting?

Mr. PARR. Yes, sir.

Mr. WEITZ. You still did not feel that that meeting was fruitful, or that it was likely to get a reversal from the administration coming out of that meeting?

Mr. PARR. No. I would like to have been able to say the next day that we had 50 more Congressmen and 10 or 15 more Senators.

Mr. WEITZ. You felt somewhat antagonistic at this point toward the administration?

Mr. PARR. Well, I just like—when you start something, I wanted to—

Mr. WEITZ. Finish it?

Mr. PARR. Yes, sir. I wanted to get the legislation.

Mr. WEITZ. Other dairy groups were in the city working with you and trying to get an increase?

Mr. PARR. Yes, sir.

Mr. WEITZ. That includes Mid-America Dairywomen, Inc., representatives of those groups?

Mr. PARR. Yes. They were from coast to coast.

Mr. WEITZ. Gary Hanman was there and working with you?

Mr. PARR. Yes.

Mr. WEITZ. Ben Morgan and Paul Alagia, were they there working with you?

Mr. PARR. Dairywomen, Inc. people, I do not remember specifically who all they had.

Mr. WEITZ. I see. Do you recall speaking to any of the representatives of the other two dairy groups, talking with them about political contributions?

Mr. PARR. We were constantly talking about the dairy industry and political matters.

Mr. WEITZ. I said contributions, though.

Mr. PARR. Yes, well, I am sure we could have.

Mr. WEITZ. What did you discuss with them?

Mr. PARR. I do not recall anything specifically.

Mr. WEITZ. Well, here you were. You felt, at least personally, that you wanted to go the legislative route and more or less override the administrative decision. Were you, at that time, discussing political contributions to the administration for President Nixon's reelection?

Mr. PARR. I do not remember anything specific, Mr. Weitz.

Mr. WEITZ. Do you remember a meeting between you and Mr. Nelson and Mr. Hanman, discussing methods of making political contributions in a hurry, or in a short time to the President or to the Republican committees?

Mr. PARR. No, sir. I do not recall that.

Mr. WEITZ. What about with Mr. Alagia? Do you remember discussing that matter with him during—let us say during March, particularly after March 20?

Mr. PARR. We could have discussed it with Mr. Hanman. We could have discussed it with Mr. Alagia. I just do not recall any.

Mr. WEITZ. Was anyone in favor of contributions? You say you were not in favor of going to the dinner or buying tickets for that. Was anyone else in favor of making contributions to the Republican committees?

Mr. PARR. Well, the idea, the reason I did not want to go to the dinner is that I just did not feel right about it.

Mr. WEITZ. Well, that included not paying the \$1,000 a plate for that Republican dinner, did it not?

Mr. PARR. Well, I just thought they had made a decision earlier, and I did not know why. I just did not know.

Mr. WEITZ. But you felt they were against you and you would go the legislative route?

Mr. PARR. And we were having rather good success the legislative route. Yes, sir.

Mr. WEITZ. On page 741 of your deposition on the antitrust suit that I have referred to previously, you were asked: "After that meeting, did you have any discussions?"

And I believe the reference was to the meeting with the President, and the reference to discussion, I believe, was in reference to political contributions as it was indicated on page 740.

Your answer was:

At sometime after that meeting, yes.

With Mr. Harrison?

ANSWER. Yes.

About the mechanics of making the contributions?

ANSWER. We had a discussion, I am sure.

Does that refresh your recollection?

Mr. PARR. We discussed contributions sometimes, setting up committees. But I do not recall. This period of time just runs all together with me.

Mr. WEITZ. But during the time you were trying to get an increase, is that fair to say?

Mr. PARR. I just do not recall anything specific about it.

Mr. WEITZ. Do you recall flying to Louisville late on the night of the 23d or the early morning of the 24th of March 1971 with Mr. Hanman and Mr. Nelson to meet with Mr. Alagia?

Mr. PARR. Yes.

Mr. WEITZ. Can you tell us how that came to pass, how you decided to fly out to Louisville?

Mr. PARR. No; I do not recall exactly why we went. But there were discussions, yes.

Mr. WEITZ. Discussions before you flew out, and that was about contributions?

Mr. PARR. Yes.

Mr. WEITZ. And it involved contributions not only of TAPE, but also of ADEPT and SPACE, is that correct?

Mr. PARR. Yes.

Mr. WEITZ. Were there discussions of making or at least committing substantial contributions within the next couple of days, or a week or so, is that correct?

Mr. PARR. I do not remember the exact—but there was something along that line.

Mr. WEITZ. Very soon, there was some urgency about it?

Mr. PARR. There was some urgency. Yes, sir.

Mr. WEITZ. What was the point in flying out to see Mr. Alagia?

Was that to get his approval for contributions from SPACE, or his authorization?

Mr. PARR. I guess so.

Mr. WEITZ. His commitment or contribution?

Mr. PARR. Yes.

Mr. WEITZ. Had Mr. Hanman already committed himself for contributions?

Mr. PARR. I just do not know.

Mr. WEITZ. Was not ADEPT short of funds, and they needed money from one or the other two co-ops at the time?

Mr. PARR. I believe I recall something like that. Yes, sir.

Mr. WEITZ. What amount of contributions was contemplated or discussed?

Mr. PARR. I do not recall the exact amount.

Mr. WEITZ. In the range of \$1 million?

Mr. PARR. I just do not recall the exact—

Mr. WEITZ. How about \$500,000?

Mr. PARR. I do not recall, but it was a substantial figure.

And there was some urgency about getting everybody committed and organized in terms of what they were going to contribute.

Mr. WEITZ. What was the urgency?

Mr. PARR. I do not recall.

Mr. WEITZ. Did it have anything to do with the March 31st deadline approaching for the new marketing year for milk price supports?

Mr. PARR. I just do not know. I remember—

Mr. WEITZ. You met with Mr. Colson four or five times at least. You said you had discussed contributions over a period of time. There was a letter from Pat Hillings back in December, which was over 3 months beforehand.

Why all of a sudden, late on the night of March 23d, did you feel the urgency, and was there the urgency, to fly to Louisville and meet Mr. Alagia in the middle of the night at the airport to discuss political contributions?

Mr. PARR. I just do not know. All I know is that—

Mr. WEITZ. What were you told?

Mr. PARR. I just remember that we went. I do not know how, what information we had or did not have. But we went.

Keep pressing me. I mean, I appreciate it, because—

Mr. GIBSON. Could we take a break at this point?

Mr. SANDERS. Do you want 5 or 10 minutes?

Mr. GIBSON. Yes; I would like some time.

Mr. SANDERS. We'll take a 5- or 10-minute break.

[A brief recess was taken.]

Mr. WEITZ. Back on the record.

Mr. Parr, we were discussing this trip to Louisville by you and Mr. Nelson and Mr. Hanman to meet with Mr. Alagia.

First of all, is there anything prior to that flight or trip that you now recall that you would like to tell us?

Mr. PARR. Yes. I would like to get the date fixed, whether that was the 23d or the 24th, if I could.

Mr. WEITZ. Date of what? I am sorry.

Mr. PARR. When we went to Louisville.

Mr. WEITZ. The flight logs of AMPI's plane indicate that the plane flew from Washington to Louisville on the 23d, and we understand that was late on the 23d, and flew from Louisville to Washington on the 24th, and we believe that was early on the 24th. So the trip we were talking about probably took place sometime after midnight on the 23d—the 24th, I suppose, the early morning hours of the 24th.

Mr. DORSEN. Are you clear, Mr. Parr? Because apparently what happened was, it flew the evening of the 23d.

Mr. PARR. Let me get this. I think I know what you're talking about.

Mr. WEITZ. It flew from Washington to Louisville on the evening of the 23d, early morning really.

Mr. DORSEN. And flew back to Washington—

Mr. WEITZ. Sometime on the morning of the 24th.

Mr. PARR. All right. When was the fundraising?

Mr. WEITZ. The fundraising dinner was the night of the 24th, the next night.

Mr. PARR. OK.

Mr. WEITZ. And the meeting with the President was the morning of the 23d?

Mr. PARR. OK.

Mr. WEITZ. Putting those events in perspective, do you want to tell us what you remember before you flew out to Louisville with respect to conversations and so forth?

Mr. PARR. Yes, yes.

Mr. WEITZ. Would you please?

Mr. PARR. I have been confused about these dates of when the President, when the fundraising, and when the announcement—ever since this proceeding began. Either the night of the 23d or the night of the 24th—and it could have been the 23d. I was confused. I thought it was the 24th, but I am not sure. But sometime on the 23d or the 24th, the night of—those two nights, Mr. Nelson was—I was out of communication with him for about 1½ hours. I am not sure whether it was the 23d or the 24th. In which he said to me—I asked him where he had been, and he told me, none of my business. And also I said, "Who did you talk to," and he said, "None of your business." And I am confused as to whether or not that was on the 23d or the 24th. I am totally confused on that date. But—

Mr. DORSEN. Let me see if we can reconstruct this again.

As we understand it, the meeting with the President was in the daytime hours?

Mr. PARR. Yes, sir.

Mr. DORSEN. On the 23d?

Mr. PARR. Yes, sir.

Mr. DORSEN. During the period after that meeting, but before midnight on the 23d, the plane flew from Washington to Louisville?

Mr. PARR. Yes.

Mr. DORSEN. Sometime in the early morning hours or the morning of the 24th, the plane flew back from Louisville to Washington.

Mr. PARR. Yes.

Mr. DORSEN. On the evening of the 24th there was a Republican dinner, which apparently you attended.

Mr. PARR. Yes.

Mr. DORSEN. The following day, the 25th was the new decision of the President.

Mr. PARR. Yes.

Mr. DORSEN. So that the night of the 23d, 24th, apparently there were a number of plane flights, and the night of the 24th to the 25th, apparently, as I understand it, you were in Washington, staying at the Mayflower.

Mr. WEITZ. Madison.

Mr. DORSEN. Madison, excuse me.

Mr. PARR. Yes, I was in Washington, I believe, the night of the 23d and the night of the 24th.

Mr. WEITZ. Except for your trip to Louisville?

Mr. PARR. Yes.

Mr. WEITZ. Now, you have begun to tell us about some time period when Mr. Nelson was not with you, and returned and talked to you.

Now, do you place that—if you think very hard—do you place that in connection with the flight to Louisville, or in connection with before or after the fundraising dinner?

Mr. PARR. That is what I am totally confused on. I just do not remember which one of those times. I thought it was after the fundraising, but I know it was at night.

Mr. DORSEN. Why don't you just tell it as best you can recall it, and possibly based on other incidents, or events, or questions, we can elicit your best recollection as to the exact timing.

Mr. PARR. Yes. In any event, we discussed with Nelson—I wish I could just get the two dates in my mind. I just can't get them in my mind right now. But something triggered us to go to Louisville. There was speculation that contributions could not hurt us, or that we should make substantial contributions to the dinner the next night to show our friendliness toward the administration. And what I have got confused, Mr. Weitz, is when Mr. Nelson told me this idea about where he had been.

Mr. WEITZ. What did he tell you?

I am not sure we have gotten all of that. He was away for what—you say 1 or 1½ hours?

Mr. PARR. Yes, sir.

Mr. WEITZ. Were you at the hotel waiting for him?

Mr. PARR. Yes, sir.

Mr. WEITZ. Was it late at night?

Mr. PARR. It was at night. I don't know what time of night. It seems to me around 11 o'clock.

Mr. WEITZ. Were you in your pajamas when he came back, or were you still dressed?

Mr. PARR. I do not recall that.

Mr. WEITZ. Were you waiting for him the whole period or just sitting in the room?

Mr. PARR. I have forgotten who I was with, whether Mr. Hanman or Mr. Townsend, or somebody was with me, it seemed.

Mr. WEITZ. While you were waiting for Mr. Nelson?

Mr. PARR. Yes, sir. It might have been a whole group of people.

Mr. WEITZ. What happened when Mr. Nelson returned?

Mr. PARR. Something triggered us to go to Louisville, either about the fundraising event or to consult with him about contributions, about the problems we had at hand. And I just cannot—

Mr. WEITZ. What happened when Mr. Nelson returned? Let's stick to that for a minute.

Mr. PARR. All right, sir.

Mr. WEITZ. Mr. Nelson returned to the room. You had been waiting for him?

Mr. PARR. Yes, sir.

Mr. WEITZ. What was the discussion that took place between you and Mr. Nelson?

Mr. PARR. Well, it must have been concerning whether or not we would go to Louisville or not.

My problem is, I do not know whether that was the 23d or the 24th, when Mr. Nelson was out of pocket for a while.

Mr. WEITZ. When he came back did you ask him where he had been?

Mr. PARR. Yes, sir.

Mr. WEITZ. What did he tell you?

Mr. PARR. None of my business.

Mr. WEITZ. Did he tell you anything further referring to the meeting or what he may have found out?

Mr. PARR. Yes.

Mr. WEITZ. Was he at a meeting, by the way?

Mr. PARR. I do not know whether he was at a meeting.

Mr. WEITZ. Did he tell you he had met with someone, but he was not going to tell you who he had met with?

Mr. PARR. I asked him who he had met with. He told me again, none of my business.

Mr. WEITZ. But he did not say that he did not meet with anybody?

Mr. PARR. No, he did not say that.

Mr. WEITZ. Did he tell you anything else?

Mr. PARR. Yes. He was optimistic toward the price support.

Mr. WEITZ. What did he say?

Mr. PARR. He said that—gave me the impression that he was optimistic, completely optimistic about the price support.

Mr. WEITZ. Can you recall either a paraphrase or something more specific about what he told you?

Mr. PARR. No, sir. I cannot.

Mr. WEITZ. On the interview with you that I conducted on October 18—we discussed this meeting.

Mr. PARR. Yes, sir.

Mr. WEITZ. And you said at that time—you told me that you remember Nelson telling you: "I think we have got the milk decision."

Do you remember that—do you remember telling me that?

But more importantly, do you remember whether that is what Mr. Nelson told you after he came back, after being away for 1½ hours?

Mr. PARR. I do not know the exact words, Mr. Weitz. But he gave me the impression that he was very optimistic about the price support thing.

Mr. WEITZ. It was pretty clear that it was going to be increased, not just, "Gee, I hope," or, "We have got a good chance" but pretty certain?

Mr. PARR. Something along that line. Yes, sir.

Mr. WEITZ. Do you recall—before we go to that, was there anything else that was discussed between you and Mr. Nelson when he came back?

Mr. PARR. No, sir. I don't recall anything else.

Mr. WEITZ. Do you recall anyone else being present, or anyone else saying anything?

Mr. PARR. I did not even recall that Mr. Hanman was with us.

Mr. WEITZ. That's Louisville. Maybe we can clarify by telling you this.

Mr. PARR. All right, sir.

Mr. WEITZ. We have received information from others that on the night of the 24th after the Republican fundraising dinner, Mr. Nelson met with several other individuals, not yourself, and that at that meeting certain matters were discussed, and after that meeting, which lasted—or the time period where he was waiting for the meeting, and subsequently went through with the meeting, it took perhaps 1 or 1½ hours.

Mr. PARR. That was the night of the 24th?

Mr. WEITZ. The night of the 24th, and immediately after the fundraising dinner, that he immediately returned to his room to go to sleep in the Madison Hotel.

Now, given that information, does that refresh your recollection as to whether that was the time period in which you were waiting for him, and then the discussion you had with him ensued?

Mr. PARR. I thought it was the 24th. I have testified that way before. But when you mentioned Louisville—I had forgotten about Louisville. I always thought it was the 24th.

Mr. WEITZ. Do you recall, for example, whether Mr. Nelson came in dressed in some kind of formal clothing?

Mr. PARR. I do not know what kind of clothes he had on.

Mr. WEITZ. So, based on what I have told you, you believe it was the night of the 24th that this conversation with Nelson took place?

Mr. PARR. Yes, sir.

Mr. WEITZ. Going back to the night of the 23d, when, as I say, we have independent evidence that you, with Mr. Nelson and Mr. Hanman, went to Louisville, can you enlighten us with anything that you recall that took place before which led to that trip?

Mr. PARR. I know this is very important to me personally and very important to the investigation. I just know that there was some reason in the discussion that we should consult with Mr. Alagia.

Mr. WEITZ. You said before that you thought that there were some discussions connected with some substantial contributions, for example, to the dinner?

Mr. PARR. That was—I believe that was what was discussed with Mr. Alagia on the 23d.

Mr. WEITZ. In Louisville?

Mr. PARR. In Louisville. And that I got the impression that not only would we go to the dinner on the 24th, but we would make additional contributions.

Mr. WEITZ. Above and beyond the tickets for the dinner?

Mr. PARR. Yes.

Mr. WEITZ. Substantial contributions?

Mr. PARR. Yes.

Mr. WEITZ. For what purpose?

Mr. PARR. I guess in relationship to the matter of the price supports.

Mr. WEITZ. Did you meet with Mr. Alagia in Louisville?

Mr. PARR. Yes, sir.

Mr. WEITZ. Was he alone?

Mr. PARR. Well, I did not even remember Mr. Hanman going, so I do not recall whether Mr. Alagia was by himself or was not.

Mr. WEITZ. Do you recall what time at night or in the morning you met with them?

Mr. PARR. It seemed like to me it was around—I just know it was at night, late in the night.

Mr. WEITZ. Hardly anyone there at the airport?

Mr. PARR. I do not recall. I just know—I believe it was around 12 o'clock.

Mr. WEITZ. Do you remember what was discussed?

Mr. PARR. I know it was discussed, the idea of going to the dinner, and I believe what we discussed was making additional contributions.

Mr. WEITZ. Do you remember whether any amounts were discussed?

Mr. PARR. It seems to me that there were amounts, but I do not recall what they were and how they were—

Mr. WEITZ. Do you recall someone asking Mr. Alagia whether SPACE would contribute \$300,000 or some amount in excess of \$100,000?

Mr. PARR. I just do not remember, Mr. Weitz.

Mr. WEITZ. You indicated before that your understanding was that ADEPT did not have sufficient funds at that point to make substantial contributions. They were short on funds.

Mr. PARR. Yes.

Mr. WEITZ. Was a loan for ADEPT from either of the two co-ops discussed at that dinner?

Mr. PARR. Yes; I remember Mr. Nelson discussing it.

Mr. WEITZ. With whom?

Mr. PARR. They were having a—whether or not this is legal or not legal or how—

Mr. WEITZ. How much of a loan were they discussing?

Mr. PARR. I do not remember the exact amount.

Mr. WEITZ. Do you recall a loan in the amount of \$100,000 or more being discussed?

Mr. PARR. No; I do not remember that exact figure. No; I do not.

Mr. WEITZ. What was Mr. Alagia's reaction to this discussion and these requests that were being made? Did he agree?

Mr. PARR. I do not recall how he talked or did not talk.

Mr. WEITZ. Do you recall anything else about that meeting?

Mr. PARR. [Nods in the negative.]

Mr. WEITZ. Do you recall any deadlines or timetables being set that they would have to make certain contributions or loans or so forth by the following Monday, by a week's time or some short period of time?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. But you do recall being there with Mr. Nelson and Mr. Alagia discussing contributions and loans, possibly in connection to the dinner and possibly in addition to the dinner?

Mr. PARR. Yes, sir.

Mr. WEITZ. And if someone else's recollection of those events is more specific, you would not dispute that?

Mr. PARR. That is correct.

Mr. WEITZ. But you do not recall whether Mr. Alagia either agreed to make contributions or whether he agreed to make smaller contributions than were suggested or anything in connection with his response?

Mr. PARR. No, sir. I do not. I wish I did. I just do not know.

Mr. WEITZ. You don't remember whether Mr. Hanman was there?

Mr. PARR. I don't know. I just don't recall that.

Mr. WEITZ. Was he generally in favor of contributions at that point, whether it was back in Washington or in Louisville that he discussed it?

Mr. PARR. I just don't know.

Mr. WEITZ. How about Mr. Nelson, was he in favor of such contributions?

Mr. PARR. Yes.

Mr. WEITZ. Particularly at that time?

Mr. PARR. Yes.

Mr. WEITZ. For the reasons you have stated?

Mr. PARR. Yes.

Mr. WEITZ. Now, what happened after the meeting? Do you know how long it lasted?

Mr. PARR. Thirty minutes, an hour.

Mr. WEITZ. What happened next, did you fly back to Washington?

Mr. PARR. I guess so. I mean, I believe so.

Mr. WEITZ. You were there on the 24th to go to the dinner, is that right?

Mr. PARR. Yes, sir.

Mr. WEITZ. And on the flight home, or on the next day, the 24th in Washington, do you recall being involved in talking with anyone, or knowing of any contacts being made with Mr. Harrison or any Republican fundraisers or any of the other co-ops about contributions to the dinner that night, or to the Republican committees, Party?

Mr. PARR. No, sir. I do not recall.

Mr. WEITZ. Do you have any idea what resulted from that meeting with Mr. Alagia, was there any followup, were there any contributions made and so forth?

Mr. PARR. Yes.

Mr. WEITZ. Were contributions made?

Mr. PARR. Yes.

Mr. WEITZ. By whom?

Mr. PARR. SPACE.

Mr. WEITZ. On the 24th?

Mr. PARR. Yes.

Mr. WEITZ. In the amount of how much?

Mr. PARR. I do not remember.

Mr. WEITZ. Was it \$25,000?

Mr. PARR. I have read or something—I don't recollect.

Mr. WEITZ. But you know they made contributions?

Mr. PARR. Yes.

Mr. WEITZ. Does it have any relation to the meeting you had in the airport with Mr. Alagia?

Mr. PARR. I suppose that it did.

Mr. WEITZ. Do you know whether SPACE had intended to make any contributions before that meeting on the 24th?

Mr. PARR. No, sir. I do not know.

Mr. WEITZ. Were there any other arrangements discussed in terms, or decisions made on the 24th about a loan to ADEPT or any contributions by ADEPT?

Mr. PARR. I remember there was discussion about loans, but I do not know. I mean, that was between Mr. Alagia and Mr. Nelson. I didn't know the ramifications.

Mr. WEITZ. Do you mean Mr. Hanman and Mr. Nelson?

Mr. PARR. It might have been. I don't recall. I don't recall Mr. Hanman having been there.

Mr. WEITZ. Do you know on the night of the 23d and the 24th, if there were any indirect contacts by the dairy people with Mr. Kalmbach again?

You met with him several months before about committees and so forth.

Mr. PARR. I know that I did not talk to him.

Mr. WEITZ. Do you know whether anyone else did?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. Did you hear his name mentioned at all?

Mr. PARR. No, sir. I do not recall that.

Mr. WEITZ. Did you talk to Murray Chotiner during that period, the 23d, the 24th, or the 25th?

Mr. PARR. I could have, but I don't recall it.

Mr. WEITZ. Do you recall him being involved in any of these discussions about contributions?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. How about Jake Jacobsen, by telephone or otherwise?

Mr. PARR. No, sir. I do not recall.

Mr. WEITZ. Marion Harrison?

Mr. PARR. I do not recall.

Mr. WEITZ. You said you came back to Washington on the 24th, and that night you went to the Republican dinner?

Mr. PARR. Yes.

Mr. WEITZ. You said you were opposed to going to the dinner and making a lot of contributions at that point. Did anyone tell you why the contributions were in fact made, or why you and other dairy people went to the dinner or were requested to go to the dinner?

Mr. PARR. Well, do you know what day of the week the 23d was on?

Mr. WEITZ. I believe the 23d was a Tuesday, and the 24th was a Wednesday.

Mr. PARR. I do not know when I knew that I was going to that dinner for sure.

Rephrase your question. I have forgotten what the question was.

Mr. WEITZ. I was just trying to find out whether there were discussions that day relating to whether or not you would go, or whether the people should go, or you were told to go by somebody.

Mr. PARR. I knew on the 24th that I was going.

Mr. WEITZ. Did you know that when you flew to Louisville?

Mr. PARR. Yes, I guess on the 23d I knew.

Mr. WEITZ. Did you know before the meeting with the President?

Mr. PARR. I do not know exactly when I knew I was going.

Mr. WEITZ. I think you mentioned when you came out of the meeting you still went back to the legislative work and thought that was the better route?

Mr. PARR. That is right.

Mr. WEITZ. Does that refresh your recollection as to whether your frame of mind was that you still were not sure that you were going to the dinner on the 23d?

Mr. PARR. I just cannot get that in my mind right when it was. But I know that we started back on legislation, and at some time in that period of time, we went to the dinner, and I knew I was going.

Mr. WEITZ. Who told you, do you know? Or did you discuss it with Mr. Nelson?

Mr. PARR. Mr. Nelson and Mr. Harrison thought we ought to go to that dinner.

Mr. WEITZ. Was he also involved in discussions about making these sizable or substantial contributions?

Mr. PARR. Mr. Harrison?

Mr. WEITZ. Yes.

Mr. PARR. I just do not recall any discussion at that period of time with Mr. Harrison. I am sure we discussed it with Mr. Harrison.

Mr. WEITZ. You said when Mr. Nelson came back from this period away from you for 1 or 1½ hours, either on the night of the 23d or the 24th, but you believe it was the 24th.

Mr. PARR. I thought.

Mr. WEITZ. And told you he was fairly certain you had the price-support increase——

Mr. PARR. Yes, sir.

Mr. WEITZ [continuing]. Did he elaborate on that? Did he say who had told him, or how he had heard that?

Mr. PARR. No, sir.

Mr. WEITZ. Do you recall at the dinner, Page Belcher being there and discussing the possibility of increase?

Mr. PARR. Yes, sir.

Mr. WEITZ. Did you hear Mr. Belcher, or know of him saying——

Mr. PARR. Sir?

Mr. WEITZ [continuing]. That there would be an increase at the dinner?

Mr. PARR. Yes, I saw Mr. Belcher.

Mr. WEITZ. Did he tell you that there was going to be an increase?

Mr. PARR. He felt rather certain. [Nods in the affirmative.]

Mr. WEITZ. You knew that? I mean, you knew what he was saying?

Mr. PARR. Yes, sir.

Mr. WEITZ. Did Mr. Nelson know what he was saying?

Mr. PARR. I do not know. But I remember seeing Mr. Belcher.

Mr. WEITZ. Were you sitting with Mr. Nelson at the dinner, or did you talk with Mr. Nelson?

Mr. PARR. I believe I was sitting with Mr. Nelson.

Mr. WEITZ. When Mr. Nelson came back to talk with you and told you he was fairly certain you had the increase, did you think he was just telling you, relating to you what he had found out from Mr. Belcher at the dinner?

Mr. PARR. Well, you see that is where again I am confused as to whether Mr. Nelson told me what he told me on the 23d, or whether he told me that on the 24th. I just cannot—what I am saying to you is this——

Mr. WEITZ. When you heard this news from Mr. Nelson, did you get the impression from him and was it your understanding that he was telling you something different than what was commonly known at that point or what was known by people who had been at the dinner?

Was he trying to tell you something different than what he thought you already knew?

Mr. PARR. I do not know. I do not know what he was trying to do. I wish I could pin down the 23d or the 24th, because it would be very significant, I think. But I do not know which date that was.

Mr. WEITZ. Did you share a suite with Mr. Nelson?

Mr. PARR. Yes.

Mr. WEITZ. Do you remember any other occasion on the night of the 23d and the 24th—do you remember this one occasion when he was away from you for a couple of hours, or an hour and a half?

Mr. PARR. Yes, sir.

Mr. WEITZ. Do you remember any other break in time when he was away from you mysteriously and did not tell you where he was?

Mr. PARR. No, sir.

Mr. WEITZ. There was only one occasion that you recall?

Mr. PARR. That is right.

Mr. WEITZ. And I say, if we have independent information that he was away from you and at a meeting with several other individuals for 1 hour or 1½ hours on the night of the 24th after the dinner, does that support your recollection that it was the night of the 24th?

Mr. PARR. Yes, sir. That is what I thought.

Mr. WEITZ. And if that is the case and if he came back on the night of the 24th after this mysterious time of being away from you and told you that he was fairly certain that they had the increase, that it was going to be instituted, do you recall whether that was something different than what you had learned from Mr. Belcher, or that he was trying to enlighten you further on what was known by people at the dinner?

Mr. PARR. No; I do not know how to relate that.

Mr. WEITZ. Did anyone else tell you before it was publicly announced that they were fairly certain that there would be an increase?

Mr. PARR. No, sir. Not that I know of. I recall seeing Mr. Belcher at the dinner, and Mr. Belcher was—had been quite insistent that we try to get the administration to administratively reverse the decision, rather than pass it through the Congress. And I believe the night of the dinner Mr. Belcher was claiming credit, or saying, "I believe we're going to get it," and implying that it looks like the price support is moving along in good shape, and just keep hoping, or he gave the impression that—and he had advocated, he thought that we were trying to embarrass the Nixon administration, and we were trying to get the bill through the Agriculture Committee that he was vice chairman of, that he was quite insistent that the Democratic Members of the House were trying to embarrass the Nixon administration.

Mr. WEITZ. When Mr. Nelson told you that he was fairly certain of an increase, was he trying to take credit for, or trying to contrast administrative versus legislative and so forth, or was he stating to you, whatever the reason, from whatever source, that that was what he saw was the decision that was going to take place?

Mr. PARR. I did not make—well, it had to mean administratively.

Mr. WEITZ. Because no bill had been put to the floor?

Mr. PARR. No; we were still working on a bill.

Mr. WEITZ. Let's go off the record.

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Necessarily, I am going to go back away in the interview. Rather than interrupting Alan each time something came to my mind, I just made a note on it.

Mr. PARR. Yes, sir.

Mr. SANDERS. I want to go back to 1969.

Mr. PARR. All right, sir.

Mr. SANDERS. In fact, 1969 and 1970.

Mr. PARR. All right, sir.

Mr. SANDERS. You told us about your knowledge of the money which went to Kalmbach.

Mr. PARR. Yes, sir.

Mr. SANDERS. I believe you said it was your understanding that that money was paid for by some means other than through TAPE?

Mr. PARR. It was cash.

Mr. SANDERS. You knew it had not been given to Kalmbach by checks from TAPE?

Mr. PARR. It was cash. Yes; it was supposed to be cash. Yes, sir.

Mr. SANDERS. I would like to know, if you can recall, for the 1969-70 period, any contributions—political contributions by AMPI other than through TAPE to any persons other than Kalmbach?

Mr. PARR. I believe this conversation that we had with Mr. Gleason was in 1969 or 1970, Mr. Sanders.

Mr. SANDERS. Any others?

Mr. PARR. If you can refresh my memory—I just do not—

Mr. SANDERS. Do you know of any?

You were asked about some contributions to Mills, and you mentioned one delivery by Lilly to Norma Kirk.

Mr. PARR. I believe that was in 1971.

Mr. SANDERS. That is what I wanted to clear up—you think that's 1971?

Mr. PARR. Yes.

Mr. SANDERS. You recall another cash payment you received from Jacobsen, and you could not recall who that went to?

Mr. PARR. No, sir. I could not.

Mr. SANDERS. Was that 1971?

Mr. PARR. I believe it was, Mr. Sanders.

Mr. SANDERS. Now, can you recall any others?

Mr. PARR. If you could refresh my memory—I just cannot offhand.

Mr. SANDERS. Do you remember whether AMPI funded any contributions to Wallace?

Mr. PARR. I do not recall whether we did or did not. I believe, I am not sure, but it seems like to me we made a contribution to Wallace. But I don't know whether we did or not, whether that was in 1972, I just do not recall.

Mr. SANDERS. I think the records do not disclose any TAPE or CTAPE contributions to Wallace, so if any donations were made to him it would be in the form of cash.

Mr. PARR. If TAPE records don't show it, it would have been made in cash.

Mr. SANDERS. Let's remove the time limit.

If we can put it for the last whole 5 years, can you recall a contribution to Wallace?

Mr. PARR. No, sir. I do not recall one. I mean, I just do not recall one. If you have records that say we did—I just don't recall it, though.

Mr. SANDERS. Did you have an acquaintanceship or dealings with anyone in the Wallace campaign the last 4 years?

Mr. PARR. No, sir.

Mr. SANDERS. You are not personally acquainted with anyone in the Wallace campaign?

Mr. PARR. No, sir.

Mr. SANDERS. Did you make or arrange for any cash contributions to Muskie's campaign?

Mr. PARR. No, sir.

Mr. SANDERS. Are you personally acquainted with any key persons in the Muskie Presidential campaign?

Mr. PARR. Yes.

Mr. SANDERS. Who would that be?

Mr. PARR. Semer.

Mr. SANDERS. Did you know him while he was working for the Muskie Presidential campaign while you had contact with them in 1971?

Mr. PARR. Yes, sir. I knew Mr. Semer in 1969.

Mr. SANDERS. Did you arrange for any deliveries of funds to the Muskie campaign by cash or by check?

Mr. PARR. We made a contribution to Muskie. Did he run for the Senate in 1970?

Mr. SANDERS. I cannot say offhand.

Mr. WEITZ. [Nods in the affirmative.]

Mr. PARR. I believe we made a contribution in 1970 to him.

Mr. SANDERS. You are talking about a TAPE contribution, I assume?

Mr. PARR. Yes, sir.

Mr. SANDERS. Do you have knowledge of any use of Mr. Stuart Russell as a conduit for funds to Muskie?

Mr. PARR. Not specifically. No, sir; I do not.

Mr. SANDERS. When Lilly delivered the \$5,000 to Norma Kirk—

Mr. PARR. Yes?

Mr. SANDERS. I assume she gave the money to you.

Mr. PARR. As I recall, she put it in the vault.

Mr. SANDERS. In your office, or in the bank?

Mr. PARR. Oh, no. I mean at the office.

Mr. SANDERS. Do you mean it is a file safe?

Mr. PARR. A walk-in vault where you store the records. •

Mr. SANDERS. And how long was it kept there?

Mr. PARR. I don't know whether it was a week or a day, or what period of time it was.

Mr. SANDERS. Who removed it?

Mr. PARR. I believe, as I testified yesterday, that that was brought to Washington by Mr. Townsend.

Mr. SANDERS. That would have been under your supervision and direction?

Mr. PARR. Yes, sir.

Mr. SANDERS. And you would have had to tell him who to give it to?

Mr. PARR. Yes.

Mr. SANDERS. Who would that be?

Mr. PARR. I believe it was given to Mr. Goss.

Mr. SANDERS. Who is the AA to Mills.

Why did Lilly give \$5,000 to Norma Kirk?

Mr. PARR. Mr. Nelson and I had discussed the idea of making a contribution to the Mills appreciation rally.

Mr. SANDERS. OK.

Mr. PARR. And he just brought the money to Little Rock.

Mr. SANDERS. This discussion that you had with Mr. Nelson would have been more in the nature of a proposal by you to get his general OK on it, I assume?

Mr. PARR. Yes.

Mr. SANDERS. It would not have been Nelson proposing it to you?

Mr. PARR. We both knew Mr. Mills regularly.

Mr. SANDERS. But somebody had to initiate it.

Mr. PARR. Yes.

Mr. SANDERS. Would that have been you?

Mr. PARR. I suppose so.

Mr. SANDERS. Then my next question is going to be why, and what I want to know is, were you asked?

Were you told by Goss or by someone else in the Mills campaign that they needed funds?

Mr. PARR. No, sir.

Mr. SANDERS. Your initiation of it with Nelson was absolutely on your own initiative?

Mr. PARR. I don't know. We both agreed it would be good.

Mr. SANDERS. No; I did not mean with regard to between you and Nelson. I meant with regard to whether somebody else had stimulated the idea in your mind before then.

Mr. PARR. No one else had talked to us; no, sir. No, sir; definitely not. It was a pure decision by Nelson and I.

Mr. SANDERS. Did you attend the appreciation rally?

Mr. PARR. Yes, sir.

Mr. SANDERS. Was it in Washington?

Mr. PARR. No, sir. It was in Little Rock.

Mr. SANDERS. Was that sum of cash the total amount that AMPI gave to the rally?

Mr. PARR. Yes, sir. The best I can recall, yes, sir.

Mr. SANDERS. Why did you not use the TAPE funds?

Mr. PARR. I think the reason, Mr. Sanders—that this is in 1971, and we had a Republican administration, and we did not want to be getting any—

Mr. SANDERS. It would have been on the record if it had been through TAPE, and it would have been publicly known, and you did not want it publicly known?

Mr. PARR. No, sir. And, it was an appreciation rally which, as I understand, we could do it from our own funds.

Mr. SANDERS. Did you ever learn where Lilly obtained this money?

Mr. PARR. No, sir. I did not ask him.

Mr. SANDERS. At the rally, did you talk with Goss?

Mr. PARR. Yes.

Mr. SANDERS. Did you discuss the contribution that had been made?

Mr. PARR. I don't recall that.

Mr. SANDERS. How many tickets did that \$5,000 buy?

Mr. PARR. I think they were \$10 apiece.

Mr. SANDERS. Which would have bought 500 tickets?

Mr. PARR. Yes, sir.

Mr. SANDERS. Did AMPI have 500 persons in attendance at the rally?

Mr. PARR. There was, yes. There were numerous dairy farmers and employees of AMPI there.

Mr. SANDERS. It was not a sit-down dinner?

Mr. PARR. No, sir. It was at the Barton Coliseum in Little Rock.

Mr. Sanders, I have been trying to recall. There was the \$5,000 that Mr. Lilly brought to Little Rock and then to Austin, and I am totally confused as to what—which one was for what. If you will bear with me—I cannot get into my mind which one was for what. If I knew when Mr. Lilly came to Little Rock—I know that money came to Washington, and I am not sure if you understand what I am saying. I am totally confused as to which one was what.

Mr. SANDERS. Can you give a month for the appreciation rally? Do you know when that occurred?

Mr. PARR. Yes, sir. Yes, sir.

Mr. SANDERS. When did that occur?

Mr. PARR. August of 1971.

Mr. SANDERS. Presumably, Lilly would have come on the AMPI jet, so I assume the flight log would be of some assistance in that?

Mr. PARR. I don't know how he came. He might have come commercial or otherwise.

Mr. SANDERS. Off the record.

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Mr. HAMILTON. I want to shift focuses and talk to you about AMPI's relationship with Valentine, Sherman and Associates that did some work in connection with AMPI back in 1971. And I really think the easiest way to do this is to let you give us somewhat of a narrative as you remember it of AMPI's relationship with Valentine, Sherman, and I think, just to structure your narrative a little bit, I would like for you to start off with your first contact with Valentine, Sherman, letting me know how you were put in touch with them. I would like to know something about the initial relationships between AMPI and Valentine, Sherman, what type of work they were going to do for you. I would like to know the final amount of work that was performed for you by them to your recollection. I would like to know how Valentine, Sherman was paid, and maybe just let you start off with that, and as you go through I may ask a few questions.

Mr. PARR. I have forgotten how we knew Valentine, Sherman. We did know that they were Democratic-orientated, that they had a computer, that they were going to do work up and down the Midwest.

Mr. Nelson and I met with them, I believe twice, and to the best I can recall they were going to do polling work and supply us with the rural America list that they had, and also they were some way involved up and down the Midwest with political candidates—Governors, Senators, and Congressmen, I believe.

After our initial meeting with them, Mr. Nelson was quite impressed with Mr. Valentine, as I recall, and the details of how they were paid. After our initial meeting with them, and I am sure the initial meeting was with Mr. Valentine, Mr. Nelson took it from there as to how they were paid and when they were paid and in what manner they were paid. That's the best recollection I have.

Mr. HAMILTON. Well now, you say that you do not recall how you were first put in touch with Valentine, Sherman, and Associates?

Mr. PARR. Mr. Hamilton, it could have been—Bill Connell could have introduced us to them. I am not sure.

Mr. HAMILTON. I think that is probably correct, because on January 22, 1971, Mr. Connell wrote you this letter [indicating].

Mr. PARR. Could I see this?

Mr. HAMILTON. Sure.

Mr. PARR. OK. Yes, sir.

I did not recall that letter, but that is one of my problems in trying to testify. I have nothing to go back to refresh my memory.

Mr. HAMILTON. Well, I can understand that.

Mr. PARR. You do understand that I am not working for AMPI?

Mr. HAMILTON. Yes. I am not as knowledgeable in some of this as Mr. Dorsen, Mr. Weitz, and Mr. Sanders, but I do have a little background.

Now, this letter refers to a meeting in Louisville around January 28, I believe—the one you just read.

Mr. PARR. Yes, sir.

Mr. HAMILTON. Was that when you first met Mr. Valentine?

Mr. PARR. I don't know, Mr. Hamilton. I just don't know. I do not recall the first time I met him.

Mr. HAMILTON. You said that you and Mr. Nelson met twice?

Mr. PARR. Yes.

Mr. HAMILTON. What are your recollections of what those times were. I don't want to get ahead on the chronology of the story, but you did say you met twice. When were those times?

Mr. PARR. That was what time there? That was January the what?

Mr. HAMILTON. The suggestion here was around January 28.

Mr. PARR. I believe it would be after that, Mr. Hamilton.

Mr. HAMILTON. When you say after, what do you mean?

Mr. PARR. I mean after January 28.

Mr. HAMILTON. Do you mean the next day, or do you mean several months after?

Mr. PARR. I just do not recall the first time I met him.

Mr. HAMILTON. We have some information that you and Mr. Valentine had a session on an airplane going from Louisville back to Minnesota after this meeting.

Mr. PARR. He might have been on the airplane. I don't know.

Mr. HAMILTON. Do you remember that flight back?

Mr. PARR. Yes, I remember going from Louisville to Minnesota. I remember Mr. Connell, on the plane, Mr. Humphrey on the plane. My wife was on the plane. I don't remember. He could have been on the plane. I guess he was on the plane. I mean, it just doesn't—I don't know whether he was on that plane or not. I just don't recall.

Mr. HAMILTON. Was Mr. Nelson on that plane?

Mr. PARR. No, sir.

Mr. HAMILTON. Was this one of the two instances you were thinking about?

Mr. PARR. No, sir.

Mr. HAMILTON. What were those two instances?

Mr. PARR. Mr. Nelson and I met with Mr. Valentine in Minnesota in conjunction with some kind of fundraising for Mr. Humphrey, as I recall, and it seems like there was another time. But I do not recall where it was.

Mr. HAMILTON. Could it have been this Louisville meeting, or the plane ride?

Mr. PARR. Well, Mr. Nelson was in Louisville at that time, but my best recollection was that we had met in Minnesota twice. I just do not remember Mr. Valentine being on the plane.

Mr. HAMILTON. Did you meet at Senator Humphrey's home in Minnesota? Have you been in Waverley?

Mr. PARR. I have been in Waverley. I've been outside his home, but never inside his house.

Mr. HAMILTON. Did you meet Mr. Valentine there?

Mr. PARR. In Waverley? No, sir.

Mr. HAMILTON. On what occasion were you outside Mr. Humphrey's house?

Mr. PARR. I was going to a producer meeting in Minnesota, and I wanted to see where he lived.

Mr. HAMILTON. Oh, so you just drove by?

Mr. PARR. Yes, sir. Yes, sir.

Mr. HAMILTON. Did you ever go to a fundraiser or some kind of political rally at Mr. Humphrey's house in July 1971?

Mr. PARR. No, sir.

Mr. HAMILTON. Where they had tents on the lawn and there were a lot of people there?

Mr. PARR. No, sir. No, sir.

Mr. HAMILTON. You don't remember that?

Mr. PARR. No, sir. I didn't go to that.

Mr. HAMILTON. What was your understanding as to how the relationship between Valentine, Sherman, and AMPI began?

Mr. PARR. I do not exactly recall whether it was in 1970 or 1971. I just don't remember. If you've got something to help me refresh my memory, like that letter there—I just don't remember.

Mr. HAMILTON. I will help you as much as I can. My indication is that your first contact with Mr. Valentine was sometime immediately following this meeting in Louisville.

Mr. PARR. All right.

Mr. HAMILTON. Where you and Mr. Valentine sat down on the plane and Mr. Valentine presented to you a proposal. Let me show you the proposal that we have received.

Mr. PARR. All right, sir.

Mr. HAMILTON. From AMPI, and let me see if this refreshes your recollection. Why don't you take a minute to look at that. [Pause.] I will tell you what. Let me identify this for the record. In fact, just for the record I want to identify this letter that I referred to also—the letter we were talking about from Mr. William Connell to Mr. Parr. It is dated January 22, 1971, and it is a 1-page letter with a blind copy to Jack Valentine.

[Whereupon the document referred to was marked Parr exhibit No. 4 for identification.*]

Mr. HAMILTON. The document now that Mr. Parr is looking at is a document entitled "Valentine, Sherman and Associates" with an address and telephone number on the cover. On the inside page it is entitled "AMPI Outline Proposal." And this document is not dated.

*See p. 6911.

[Whereupon the document referred to was marked Parr exhibit No. 5 for identification.*]

Mr. HAMILTON. Mr. Parr, now that you have reviewed that document, let me ask you some questions on it.

Mr. PARR. All right, sir.

Mr. HAMILTON. Do you now recall having seen this before?

Mr. PARR. Yes, sir.

Mr. HAMILTON. And do you recall what the circumstances were, where you saw it?

Mr. PARR. I don't dispute it; it wasn't on the plane. Yes, I have seen it before. I do not recall the first time I saw it, but I saw it. I have seen it, I mean.

Mr. HAMILTON. Who gave it to you? Was it given to you by Mr. Valentine?

Mr. PARR. I suppose.

Mr. HAMILTON. Well, if it was not given to you by Mr. Valentine, who could have given it to you?

Mr. PARR. I believe Mr. Connell introduced me to Mr. Valentine, and it would either be Mr. Connell or Mr. Valentine.

Mr. HAMILTON. Did you ever meet Mr. Sherman?

Mr. PARR. I think I have met him. I believe he is short.

Mr. HAMILTON. Yes.

Mr. PARR. Yes, I believe I have met him. But I do not remember.

Mr. HAMILTON. But you do not think it was Mr. Sherman who gave this to you?

Mr. PARR. No, sir. No, sir.

Mr. HAMILTON. It was either Mr. Connell or Mr. Valentine?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Do you remember any discussions with Mr. Valentine about this proposal?

Mr. PARR. Yes, I remember discussions. But I do not remember what the specifics were.

Mr. HAMILTON. Do you remember what AMPI was particularly interested in?

Mr. PARR. Yes.

Mr. HAMILTON. What was that?

Mr. PARR. It was to have inputs up and down the Midwest. We had some idea about delegates or—I am not trying to—I know we had some thought about delegates. I believe delegates. I am not sure.

Mr. HAMILTON. Well, let me help you along a little bit.

Mr. PARR. If you could help me.

Mr. HAMILTON. Was it true that the proposal that AMPI made to you—I mean, that Valentine, Sherman made to AMPI—was that they could prepare political lists for various candidates, lists that would identify voters or potential voters by party affiliation, by address, by telephone number?

Mr. PARR. Yes, sir. Yes, sir.

Mr. HAMILTON. And that they could prepare these political lists through use of a computer for various candidates?

Mr. PARR. Yes, sir.

*See p. 6912.

Mr. HAMILTON. And the idea was to have AMPI finance part of the cost of the production of these lists, and let the various candidates finance the remaining portion?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Thus giving AMPI some type of political leverage, or letting AMPI make some type of political contribution to the candidates involved.

Mr. PARR. I believe that is so.

Mr. HAMILTON. Is that correct?

Mr. PARR. I believe that is right.

Mr. HAMILTON. I don't want to put words in your mouth, but you seem to have a little trouble recalling. So I was trying to refresh your recollection.

Mr. PARR. I appreciate it.

Mr. HAMILTON. Was that correct?

Mr. PARR. Something like that.

Mr. HAMILTON. Do you recall any conversation with Valentine at the initial meeting that he would also give to AMPI for the payments that AMPI would make—certain rural route lists that would be advantageous to AMPI for commercial business?

Mr. PARR. Yes, sir. It was something about a rural list. Yes, sir. Apparently he had—as I recall he had a list, or would have a list by precincts even of telephone numbers. He had quite elaborate statistical data that could be garnered from this list that he was talking about.

Mr. HAMILTON. What is your recollection as to what AMPI was primarily interested in?

Were you primarily interested in the political lists or the rural route lists?

Mr. PARR. I guess we were interested in both of them.

Mr. HAMILTON. Do you know now which one was prime in your mind, foremost in your mind?

Mr. PARR. No, sir. I do not recall. I had completely forgotten about this thing you are talking about here, this outline even.

Mr. HAMILTON. It is fair to say that the proposal is basically directed toward a political list, is it not?

Mr. PARR. I believe that is correct.

Mr. HAMILTON. The proposal that you have in front of you is?

Mr. PARR. Yes.

Mr. HAMILTON. Would it be fair to say, then, that AMPI's primary interest was in political lists, with a secondary interest in the rural route list?

Mr. PARR. I think that is correct.

Mr. HAMILTON. Again, I do not want to put words in your mouth, Mr. Parr. Obviously, I have a better knowledge right now than what your recollection is, I think.

Mr. PARR. You do, sir.

Mr. HAMILTON. I am not trying to put words in your mouth.

Mr. PARR. I want to be honest about it. I think that is correct.

Mr. HAMILTON. We have just been looking at the proposal. Do you remember when some type of agreement between AMPI and Valentine, Sherman was firmed up, so that work actually began?

Mr. PARR. No, sir. I believe it to be sometime in early 1971.

Mr. HAMILTON. Yes. Do you know who made the final arrangements?

Mr. PARR. Yes.

Mr. HAMILTON. Who was that?

Mr. PARR. Mr. Nelson and myself.

Mr. HAMILTON. You and Mr. Nelson?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Did you do it by meeting personally with Mr. Valentine?

Mr. PARR. Yes.

Mr. HAMILTON. So it is your recollection that you and Nelson, sometime early in 1971, personally met with Valentine?

Mr. PARR. Yes.

Mr. HAMILTON. Is that correct?

Mr. PARR. Yes.

Mr. HAMILTON. Do you know where that was?

Mr. PARR. In Minnesota.

Mr. HAMILTON. Where in Minnesota?

Mr. PARR. What's the two largest towns there? Minneapolis?

Mr. HAMILTON. Minneapolis. It was in Minneapolis?

Mr. PARR. Yes, sir; the St. Paul-Minneapolis area.

Mr. HAMILTON. Do you know where you met in Minneapolis?

Mr. PARR. As I recall, it was a new hotel there, the Radisson.

Mr. HAMILTON. Radisson South?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Are you sure when you met with him to firm up the deal it was a meeting at the Radisson South? Are you sure that was not the second meeting?

Mr. PARR. I am confused. I am not sure. He might have been in San Antonio one time, but it seems like to me I was with Nelson twice when we met with Mr. Valentine.

Mr. HAMILTON. Yes. Well, we have some indication—the reason I ask the question is that we have some indication that in the fall of 1971, Mr. Nelson and you met with Mr. Valentine at the Radisson South.

Mr. PARR. OK.

Mr. HAMILTON. At the occasion of the Humphrey fundraiser, and my question is, did you meet with him also at the Radisson South in spring of 1971?

Mr. PARR. Oh, I just do not—I remember we met one time at the Radisson South. I do not remember when the other time was, whether it was San Antonio or what. I just know this, that after our initial meeting there was a time period, it seems to me, and I recall Mr. Valentine trying to locate Mr. Nelson for payment on something. And they met someplace, Mr. Nelson and Mr. Valentine. The funding was going to come from San Antonio, and Mr. Valentine was having difficulty of some sort in getting paid. And when people could not find Mr. Nelson sometimes they would call me to try to find him.

I just believe we met twice. I just don't know when it was, though—with Mr. Nelson.

Mr. HAMILTON. Do you now recall where the first work done by Valentine, Sherman was to begin? What State?

Mr. PARR. No, sir. I do not recall.

Mr. HAMILTON. What about Iowa? Does that ring a bell?

Mr. PARR. It could have been. Yes, sir. My mind is almost blank on that. I remember, since you showed me this project, I knew there was something about Sherman, Valentine. But I do not know all the particularities of it. It could have been Iowa. I don't know.

Mr. HAMILTON. Who would sign the checks for AMPI to Valentine, Sherman?

Mr. PARR. Mr. Isham.

Mr. HAMILTON. Mr. Isham would under whose direction?

Mr. PARR. Mr. Nelson.

Mr. HAMILTON. Would you have anything to do with the payment to Valentine, Sherman?

Mr. PARR. Other than what I have said—I was there when they were talking about it.

Mr. HAMILTON. No, I mean, if they did some work, would you have anything to do with the decision as to how they would be paid, how much, et cetera?

Mr. PARR. I was there, but the discussion with Mr. Nelson when we first discussed it, and sometime there was a problem in payment of some sort. I don't know.

Mr. HAMILTON. Well specifically in regard to this Iowa transaction, do you recall now what the initial payment was for—the initial check sent to Valentine, Sherman?

Mr. PARR. No, sir.

Mr. HAMILTON. Does the figure \$25,000 sound right to you?

Mr. PARR. I do not recall a thing about that.

Mr. HAMILTON. Do you recall from what funds it was paid?

Mr. PARR. No, sir. No, I sure don't.

Mr. HAMILTON. We have some indication that AMPI money was used to make this initial payment for the political work done in Iowa. Do you know anything about that?

Mr. PARR. It had to be one of the two. It had to be either TAPE or AMPI funds, and I would think it would have been AMPI funds.

Mr. HAMILTON. Why would you think it would be AMPI funds?

Mr. PARR. I believe that—I don't remember exactly that, but it seems like to me that's what it was.

Mr. HAMILTON. On what do you base your knowledge?

Mr. PARR. I really don't know, but it seems to me like it was that. I don't know what I base it on, really. If you've got something to—I just don't know.

Mr. HAMILTON. Well, we do have the initial check which came out on the 15th, around the 15th of July—was in AMPI funds. It was a check signed by Isham, plus five other checks, totaling \$137,000.

[Whereupon the documents referred to were marked Parr exhibit No. 6 for identification.*]

Mr. PARR. Yes, sir.

Mr. HAMILTON. The AMPI corporate checks.

Mr. PARR. Yes, sir.

Mr. HAMILTON. Do you remember any discussion after the July 15 check about whether or not AMPI funds should be used to pay for this service?

*See p. 6919.

Mr. PARR. No, sir. After the initial meeting when Mr. Nelson was involved, I promptly forgot what and if and all of those kind of things. He was in charge of that, and I didn't have—I just promptly forgot it.

Mr. HAMILTON. Well, you were aware, were you not, that immediately after that money came through, and within a month a formal contract between AMPI and Valentine, Sherman was drawn up?

Mr. PARR. A contract?

Mr. HAMILTON. Yes, signed by Mr. Valentine and Mr. Nelson.

Mr. PARR. It seems to me, Mr. Hamilton, that there was a meeting—that Mr. Nelson had a meeting. I know he was quite impressed with Mr. Valentine and his mode of operations. And after their initial meeting with Mr. Valentine, as I recall, Mr. Nelson and Mr. Valentine conducted relationships or anything else about that. I do not recall any—I do not recall ever seeing a contract. Maybe there was one.

Mr. HAMILTON. I want to show you a copy of an agreement between Valentine, Sherman, part of Lilly exhibit No. 32,¹ that is dated June 10, 1971, and let you read it. We are going to identify this for the record. It is signed by Mr. Valentine, signed by Mr. Nelson for AMPI, dated June 10, 1971, and it is entitled "Agreement." It is a two-page, typed document.

Mr. PARR. OK.

Mr. HAMILTON. Have you ever seen this document before?

Mr. PARR. Not that I recall.

Mr. HAMILTON. You have not seen it before?

Mr. PARR. I do not think so.

Mr. HAMILTON. Did you see the letter?

Mr. PARR. I see that I got a letter.

Mr. HAMILTON. A letter on the third of August.

Mr. PARR. Let me see that letter again.

Mr. HAMILTON. For the record, the letter that he is looking at is dated August 3, 1971. It is from Mr. John Valentine to Mr. Parr.

[Whereupon the document referred to was marked Parr exhibit No. 7 for identification.²]

Mr. PARR. It says I got a copy, so I guess I did.

Mr. HAMILTON. Well, now you notice that the letter is dated August 3, 1971?

Mr. PARR. Yes, sir. Yes, sir.

Mr. HAMILTON. And it encloses a contract which was subsequently signed by Nelson?

Mr. PARR. Yes, sir.

Mr. HAMILTON. And dated June 10, 1971.

Mr. PARR. Let me see that.

Mr. HAMILTON. Did you see the date on the contract?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Do you have any idea why the contract was back-dated?

Mr. PARR. No, I just recall there was some kind of controversy. I don't remember what it was. I do not recall what it was, but——

Mr. HAMILTON. I didn't mean to interrupt you. Go ahead.

Mr. PARR. No.

¹ See Book 14, p. 6216.

² See p. 6923.

Mr. HAMILTON. Wasn't there a controversy over whether the corporate funds could be used?

Mr. PARR. There probably was. The payments were being made from San Antonio, and Mr. Nelson was having discussions with Mr. Valentine, and I do not recall—I just don't know enough about it to elaborate on it. But I know there was something there, Mr. Hamilton. I don't recall what it was.

Mr. HAMILTON. Well, is it fair to say that in your recollection—and again, I don't want to put words in your mouth—this contract was back-dated to cover the payment of political money for the work done in Iowa, and to cover the use of corporate moneys for political work done in other States in the future? Is that fair?

Mr. PARR. I think that would be right.

Mr. HAMILTON. I take it it is your testimony that you basically were out of that transaction?

Mr. PARR. I thought I was. As I have told you, what Mr. Nelson has said, that he was quite impressed with Mr. Valentine, and—and I just cannot recall what we were saying about all of this. But I know that there was something that Mr. Nelson was trying to resolve, and I don't know what it was, and apparently that is what it was.

Mr. HAMILTON. Mr. Parr, we have got a conflict of testimony here, because our indications are, before this, that Mr. Valentine had been dealing with you in this deal, rather than Mr. Nelson.

Mr. PARR. Yes, sir.

Mr. HAMILTON. And in fact, I believe that Mr. Nelson did not meet Mr. Valentine, at least by one account, until the late fall of 1971.

Mr. PARR. I think that that is correct.

Mr. HAMILTON. There is some conflict on that between you and—I think there is some conflict with some other evidence that we have received. But the main indication that we have got is that Valentine was dealing primarily with you in this matter, and I am hard put to understand why you are so vague on it.

Mr. PARR. He was dealing with me to start with, but on this work he was dealing with Mr. Nelson. I am not trying to be—lay any blame on Mr. Nelson, or not take the blame. But the times and the efforts—I know I met Mr. Valentine. I don't know when Mr. Nelson met him in relationship to me, but I do know that Mr. Nelson knew that I was meeting with Mr. Valentine if he didn't meet with me the first time.

Mr. HAMILTON. Mr. Parr, did you not receive some of the invoices for the work done in the various States—some of the bills?—Did they not come to you?

Mr. PARR. I could have.

Mr. HAMILTON. Just to give you an example, here is an invoice dated September 24, 1971, numbered 168, to Associated Milk Producers; Attention: Mr. Dave Parr, from Valentine, Sherman and Associates, for \$7,000 for consulting services and the creation of various farm mailing lists.

Mr. PARR. Yes, sir.

Mr. HAMILTON. I want you to look at that.

Mr. PARR. Yes, I am sure that I got it.

Mr. HAMILTON. And here is another invoice, or bill, I guess you would say, from Valentine, Sherman, dated July 30, 1971, invoice No. 163, in the amount of \$25,000, and the description of the services per-

formed is "Compilation of residents of rural areas in Minnesota, North Dakota, and Iowa." Does that look familiar? Do you remember getting that?

Mr. PARR. I am sure that I did.

Mr. HAMILTON. Do you remember anything about the details of the work that was being done at this time?

Mr. PARR. It was along this line right here [indicating], Mr. Hamilton. Again, I know that Mr. Nelson and I had had a discussion about Mr. Sherman and Mr. Valentine. I know that I met with them. I know that he and I both met with them. I know that there was some kind of a discussion about whether it was political or corporate, and how to handle it, and I know that Mr. Nelson was impressed with Mr. Valentine. And I don't know when Mr. Nelson met with him and when I met with him. I just know one thing, that if I met with him, that Mr. Nelson was apprised and agreed to what we were talking about.

Mr. HAMILTON. Well if you testified earlier that the major thing that Valentine, Sherman proposed, the primary thing that AMPI was interested in was political lists, and we have had some information—

Mr. PARR. I think, Mr. Hamilton, just pure and simple, if that's what you want—is that the Sherman, Valentine thing was purely political.

Mr. HAMILTON. In other words, you did not really care about—

Mr. PARR. I don't think so.

Mr. HAMILTON. And is it not true that the work that they were doing for you in 1971 was purely political? In other words, they were providing lists of various candidates of various States?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Is it fair to say, then, that—

Mr. PARR. I think that is why you had—I think that is what it was from the outset.

Mr. HAMILTON. What? I'm sorry.

Mr. PARR. I think that's what it was from the onset.

Mr. HAMILTON. Is it fair to say that these two invoices that I show you indicate that Valentine and Sherman were doing work compiling farm mailing lists and rural route lists—are really sort of bogus?

In other words, they do not reflect the true work done? Is that fair to say?

Mr. PARR. I think that is right. I think Mr. Nelson and I both knew that. I did.

Mr. HAMILTON. We have here other invoices, June 15, 1971, for \$25,000; November 8, 1971, for \$12,500; and November 11, 1971 for \$15,000.

[Whereupon the document referred to was marked Parr exhibit No. 8 for identification.*]

Mr. HAMILTON. Now, besides what is in that proposal, what can you remember about the nature of the work done by Valentine, Sherman in the States they were participating in? Do you have any recollection in what States they were working?

Mr. PARR. I know this doesn't sound right, but I just cannot remember what we were trying to accomplish at that time. It had some-

*See p. 6924.

thing to do with districts—something to do with delegates, as I recall.

Mr. HAMILTON. Well, I think——

Mr. PARR. Getting rural delegates to the conventions, or to help the political candidates—I just don't recall all of the circumstances around that. But I admit freely and openly that it was not just for the rural lists.

Mr. HAMILTON. Let me ask you another question along that line. What role did Mr. Chestnut play in this, do you know? He was obviously the attorney.

Mr. PARR. He was the attorney. I believe Mr. Chestnut did some work for us in Minnesota. He was also Humphrey's campaign manager.

Mr. HAMILTON. The work in Minnesota I want to get to in just a minute. But the Valentine, Sherman deal—he was the lawyer for Valentine, Sherman, and a letter that Mr. Valentine sent you with the contract indicated that if you had any questions about that contract you should call Mr. Chestnut. Do you remember calling Mr. Chestnut about that contract or about Valentine, Sherman services for AMPI?

Mr. PARR. No, sir.

Mr. HAMILTON. Do you remember any conversations with Mr. Chestnut?

Mr. PARR. I had conversations with Mr. Chestnut.

Mr. HAMILTON. About Valentine, Sherman?

Mr. PARR. I do not recall whether I did or not.

Mr. HAMILTON. Do you have any reason to know whether Mr. Chestnut was apprised of the fact that corporate money was used to pay for these services?

Mr. PARR. No, sir. I do not know that. I don't know if Mr. Nelson had the conversation or not.

Mr. HAMILTON. What role in this did Mr. van Dyk play, Mr. Ted van Dyk?

Mr. PARR. I don't recall, Mr. Hamilton, whether Mr. van Dyk had any input in this or not. I just don't recall. He might have.

Mr. HAMILTON. Were not Mr. van Dyk and Mr. Connell both engaged in trying to put together deals between Valentine, Sherman, AMPI, and various political candidates throughout the Midwest?

Mr. PARR. Yes. It seems to me this one was Connell, but I am not sure. But Mr. van Dyk, I am sure, knew, and I am sure that—I just do not know the——

Mr. HAMILTON. Do you remember Mr. van Dyk helping make arrangements in Iowa and South Dakota whereby AMPI would pay a portion of the political work done in those States?

Mr. PARR. If you have something to refresh my memory, I would be glad to verify it.

Mr. HAMILTON. I don't think I have the specific document, but we do have information that Mr. van Dyk——

Mr. PARR. Mr. Hamilton, Mr. van Dyk did some work, or had a polling. He ran a poll, I believe, in the South Dakota—I believe it was—I don't know. It seems to me that it was for Abourezk. We were trying to find out about Abourezk. He was a new Senator out there coming up or something. I believe it was Abourezk. And we were trying to determine what kind of chance he had, or something of that

nature. I don't recall exactly what it was. Is that what you're talking about?

Mr. HAMILTON. Well, I am mainly talking about the situations where either Connell or van Dyk would go into a State to try to put together a deal involving Valentine, Sherman, AMPI, and a political figure or political figures in those States whereby Valentine, Sherman would provide the political figure or organization with political lists and AMPI would pick up part of the tab. My understanding is that both Connell and Van Dyk acted as intermediaries in setting up those types of arrangements.

Mr. PARR. I do not recall any discussion with Connell or Valentine concerning—after we were introduced to Valentine and Sherman—that they had any knowledge of how or what we were doing. I do not recall them being beyond that. I do not think that they were.

Mr. HAMILTON. Well, do you now have any knowledge of what Valentine, Sherman did in Iowa, and for whom they worked in Iowa?

Mr. PARR. Yes, yes. A blond-headed guy, Congressman Culver, I believe. I believe that is correct. Or Hughes. I don't know. I don't recall who was in Iowa besides Culver. I know that Hughes and Culver were both friends of the dairy farmers up there, but I don't know which one it was or whether it was either one of them.

Mr. HAMILTON. Do you have any knowledge of the Hughes-for-President organization being involved in Iowa?

Mr. PARR. That could have been what it was. Or was he running for Senator at that time?

Mr. HAMILTON. Not in 1972, 1971.

Mr. PARR. I just don't know where it was.

Mr. HAMILTON. Do you have any knowledge of what Valentine, Sherman did, and for whom they worked in South Dakota?

Mr. PARR. All of those names are blank to me right now, as far as who the individuals were.

Mr. HAMILTON. Did you know they were all working in South Dakota?

Mr. PARR. I believe they did.

Mr. HAMILTON, my trouble is I just don't have a record to go back to try to refresh my memory as to what it was. I know that there were meetings with Sherman and Valentine. I know it was polling. I know it was lists. I know it was political. I recall some kind of a controversy over payments. I recall a couple of meetings. And beyond that, I just don't remember what all of the ramifications were.

Mr. HAMILTON. Well, we have invoices for Iowa. We have invoices for South Dakota.

Mr. PARR. All right, sir.

Mr. HAMILTON. We have invoices for Oklahoma and Kansas.

Mr. PARR. Yes, sir.

Mr. HAMILTON. Invoices for Minnesota.

Mr. PARR. It was up and down the Midwest. Yes, sir. And I don't recall—I mean, I know it was political.

Mr. HAMILTON. But you don't—

Mr. PARR. I just—names—

Mr. HAMILTON. Specifics in any of the States are not with you?

Mr. PARR. No, sir. I don't recall. They're just not with me.

Mr. HAMILTON. But you do know that Valentine, Sherman was performing political services and that part of the cost was being paid for by AMPI out of corporate funds?

Mr. PARR. I believe that would be correct.

Mr. HAMILTON. Let me ask you about another specific circumstance. Do you have any knowledge that around December 1971, AMPI paid a portion of the debt owed by Senator Humphrey to Valentine, Sherman?

Mr. PARR. No, I do not recall that.

Mr. HAMILTON. Specifically, that they paid a \$25,000 portion of the debt with corporate money? Does that ring any bell?

Mr. PARR. No, sir.

Mr. HAMILTON. Well, what happened in this meeting that you talked about when you went to the Radisson South with Nelson, you met with Valentine?

Mr. PARR. We were discussing this matter here. I mean, this whole package up and down the Midwest.

Mr. HAMILTON. Are you talking about the first meeting or the second meeting? What happened in the second meeting?

Mr. PARR. As I told you, I am confused as to what meetings we had and when they were.

Mr. HAMILTON. Do you remember flying to Minnesota in the fall of 1971?

Mr. PARR. Yes, sir.

Mr. HAMILTON. With Mr. Nelson?

Mr. PARR. Yes, sir.

Mr. HAMILTON. In the company plane?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Would that have been—off the record for a second. [Discussion off the record.]

Mr. HAMILTON. Back on the record.

Well, Mr. Parr—and again, I am not trying to put words in your mouth—but we have some information that around December 1971, you and Mr. Nelson met with Mr. Valentine in Minnesota, that he picked you up at the airport. Do you remember that?

Mr. PARR. Yes, sir.

Mr. HAMILTON. And was that in the latter part of 1971?

Mr. PARR. I believe that is correct.

Mr. HAMILTON. And Mr. Nelson was with you?

Mr. PARR. Yes, sir.

Mr. HAMILTON. And he drove you to the hotel?

Mr. PARR. Yes, sir.

Mr. HAMILTON. There was a Humphrey fundraiser?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Do you recall a conversation at that time?

Mr. PARR. No, sir. I don't. I don't remember the specifics. I just know it was something about funds or this [indicating], the operation or something. But I don't recall the specifics of it.

Mr. HAMILTON. Was Mr. Valentine trying to achieve payment from AMPI for various bills? Do you remember that?

Mr. PARR. There was something of that nature. I recall some kind of a conversation. I don't know whether this was—in what period of time, Mr. Hamilton? But there was some discussion about money that he had

not got paid, or that he was getting paid, or—at that time it didn't mean anything to me. I was with Mr. Nelson, and he had the funds, and he had the final say. I just didn't worry about it.

Mr. HAMILTON. Do you remember Mr. Valentine saying that a commitment had been made by AMPI to pay \$25,000 to meet a portion of the Humphrey debt?

Mr. PARR. No, sir. I don't remember that.

Mr. HAMILTON. Doesn't ring a bell?

Mr. PARR. No, sir. It doesn't ring a bell with me.

Mr. HAMILTON. Do you remember any discussion you might have had with Jack Chestnut about that matter?

Mr. PARR. No, sir.

If I may explain, any relationship we had with this type of thing—if somebody talked to me about some kind of a proposal, the next step that I did was to go to Mr. Nelson and inform him of what it was, and then either the decision was reached or it was not. And then, from then on, how the funds went and how the funds did not go, I felt I had made my obligation bringing it to him. If you want to do it, OK. If you didn't want to do it, however you want to do it. I was his assistant or one of his assistants.

I am not trying to shift any blame to anybody or not accept any blame.

Mr. DORSEN. Let's take a recess for lunch.

[Whereupon, at 12:20 p.m., the hearing in the above-entitled matter was recessed, to reconvene at 1:30 p.m. the same day.]

AFTERNOON SESSION

Mr. HAMILTON. Back on the record.

I think when we recessed, we were talking about your trip to Minneapolis in the fall or early winter of 1971, the Humphrey fundraising; and we were discussing, I believe, the conversation you and Mr. Nelson and Valentine had riding in from the airport in the car. Did you think of any other contents of that discussion during lunch?

Mr. PARR. No, sir, Mr. Hamilton. All that I recall is discussing something about this project here. I hate to keep saying I do not recall, but I honestly just do not recall what it was; but it was in this context [indicating] some way.

Mr. HAMILTON. And I think you said you do not remember any conversation about AMPI paying off \$25,000 of the debt to Humphrey.

Mr. PARR. No, sir, I do not recall that. We could have been discussing it but I personally do not recall it.

Mr. HAMILTON. The jet log of your company airplane shows that it went into Minneapolis on July 28, 1971. Do you know why that was?

Mr. PARR. I do not even know whether I was on it or not.

Mr. HAMILTON. There was some information on a reading there, that you were on it and Mr. Nelson was there; and you attended some kind of a meeting with Senator Humphrey. Do you remember that?

Mr. PARR. I remember going to the fundraising.

Mr. HAMILTON. That was later on, wasn't it?

Mr. PARR. That was later on? No, sir. I do not recall it.

Mr. HAMILTON. You do not remember any kind of a meeting with Humphrey that would have been with you, Mr. Nelson, Mr. Townsend, Mr. Chestnut, Mr. Humphrey somewhere in Minnesota?

Mr. PARR. In 1971?

Mr. HAMILTON. Yes.

Mr. PARR. I would not deny that I was there but I do not honestly recall. Dates don't mean anything to me. I was working 20 hours a day, and I was going constantly. If you have got something to refresh my memory, I would be glad to verify it, sir.

Mr. HAMILTON. We have got other testimony that there was a meeting that you attended with Mr. Humphrey in July. We also have the jet log that indicates that the jet was there then; and I am just trying to get your recollection of any type of meeting with Humphrey around the middle of the year around July, or some other explanation why the jet would have gone to Minneapolis.

Mr. PARR. I just do not—

Mr. HAMILTON. Did AMPI make any kind of commitment to Humphrey for his Presidential race or to pay off bills for his senatorial race?

Mr. PARR. Yes, there was a—I don't know the exact date, but there was—it was the fall or the winter of 1971 that Mr. Nelson and I were invited to—prior to his announcing for the Presidential bid. Again, I do not know what date that was, but I believe we pledged either \$25,000 or \$50,000.

That was—I recall that there were people from over the country there; I mean different parts of the country.

Mr. HAMILTON. Now we are talking about, are we not, the fundraiser in the winter?

Mr. PARR. No; this was—

Mr. SANDERS. He said fall-winter.

Mr. PARR. But we went twice. I went to so many different types of functions, I have trouble keeping up with where I was, who was with me and who I was with; and I am not trying—I know I must not be very helpful, but if you've got something to verify, I'd be glad to verify it.

Mr. HAMILTON. Again our information is that you made some kind of pledge at the Radisson South when you came to Minneapolis for that fundraiser, maybe in December of 1971, is that what you are talking about?

Mr. PARR. It seems to me that it was cold weather, that's why I was confused with you back in the summer meeting; but as I recall this particular meeting, there were 40 or 50 people, and I believe that was in the fall. It had to be the fall or the winter.

Mr. HAMILTON. Was this the time that Valentine picked you up at the airport?

Mr. PARR. It could have been. He picked us up at the airport. It was in the winter when he picked us up, because I know it was snowing then.

Mr. HAMILTON. Would it have been possible, because you were going to a Humphrey raiser, that you would have discussed payments by AMPI to Valentine, Sherman to eradicate a portion of Humphrey's debt to Valentine, Sherman?

Mr. PARR. I don't remember that specific instance, but we could have, Mr. Hamilton.

Mr. HAMILTON. When you said you pledged \$25,000 or \$50,000, was this money actually delivered to Humphrey?

Mr. PARR. I do not know. Once something like that was done, I do not know what the final disposition of it was. If I was with Mr. Nelson when we did that—

Mr. HAMILTON. What was your understanding of where that money was coming from?

Mr. PARR. I do not even know whether we discussed it or not; I just remember we made a pledge.

Mr. HAMILTON. Do you remember an earlier pledge to Humphrey of \$140,000, \$137,000 back in the summer of 1971?

Mr. PARR. No, sir.

Mr. HAMILTON. That does not make any sense to you at all when I mention that?

Mr. PARR. Not that figure.

Mr. HAMILTON. The figure of \$137,000?

Mr. PARR. Not that I can recall.

Mr. HAMILTON. Do you remember any pledge to Humphrey's campaign back in the summer of 1971, either to his upcoming Presidential campaign or to help pay off senatorial debts for 1970?

Mr. PARR. Let me answer it this way, Mr. Hamilton, we had so many meetings with so many people at so many different locations, that my mind just runs blank on them. I'm not trying to be evasive; we just had so doggone many of them.

Mr. HAMILTON. Have you got any records that would help you pinpoint them, sir?

You traveled to Minneapolis—

Mr. PARR. No, sir, not that I know of; I cannot recall anything in June of 1971.

Mr. HAMILTON. Any other time in 1971?

Mr. PARR. No; I do not recall any more.

If you have got some records, tell me about it, I would be glad to agree to it.

Mr. HAMILTON. Don, do you want to ask some questions?

Mr. SANDERS. The dairy trusts, the three or four including CTAPE—your reports show a total of about \$18,000 contributed to Humphrey, beginning in December 1971, beginning with the \$5,000 contribution, December 3, 1971; now if you pledged \$25,000 to \$50,000 to Humphrey, you fell short if this was all that was paid. Do you think you paid more than this to the man?

Mr. PARR. Mr. Sanders, I just do not recall how we did it. Let me state that I am not trying to evade anything; it's just that once the procedure was reached, the records were someplace else. I just never got involved again.

Mr. SANDERS. That may be true, but—

Mr. PARR. I just don't know.

Mr. SANDERS. But it was pretty common knowledge that the Humphrey campaign was never flush with money.

Mr. PARR. Yes, sir, yes, sir; I am aware of that.

Mr. SANDERS. And Humphrey, I think, was known as a friend to the dairy farmers?

Mr. PARR. Yes, sir.

Mr. SANDERS. And you have just told us that you made a pledge to him. It would be reasonable to suppose that the Humphrey campaign

had somebody in attendance at that event who was maybe making notes so they knew how much to expect.

Mr. PARR. Yes, sir.

Mr. SANDERS. And later on he would try to collect on those pledges?

Mr. PARR. Yes, sir.

I think I can clear this up in this regard, Mr. Sanders. This being in December of 1971 and I left the organization in early 1972, I do not recall what happened after that.

Mr. SANDERS. What month did you leave?

Mr. PARR. For all practical purposes, in January. Do you see what I'm saying?

Mr. SANDERS. You have no recollection of anyone from the Humphrey campaign calling you and saying, "When are you going to be paying off on this pledge?"

Mr. PARR. No, sir, because after that I just have not been too active since then. And whether they did or did not, I do not know.

Mr. SANDERS. Do you say then, that you have no knowledge that any dairy cooperative money went to Humphrey other than what might have gone to him through the legal trusts?

Mr. PARR. No; I would not say that at all.

Mr. SANDERS. What would be your comment on that?

Mr. PARR. He was in 1970; I do not recall what we did in 1970 for his senatorial race; but there could have been funds other than TAPE funds in 1970, but I do not recall it. I mean I do not know the specifics.

Mr. SANDERS. Well, from your familiarity with the organization of AMPI, who would have handled these?

Mr. PARR. Well, if I may explain it, Mr. Nelson or I or Bob Lilly in particular, in most instances would have been the people who would have recommended or talked about political contributions; and once they were decided, then the payments for those had to go from Mr. Isham some place. I do not know how; I mean I never got involved in that part of it.

Mr. SANDERS. It would have had to have been you, Nelson or Lilly who approved or discussed approval of any political——

Mr. PARR. Ninety-nine percent of my discussion was with Nelson.

Mr. SANDERS. Other than you and Nelson and Lilly, would you say that there was no one else in the AMPI organization in the 1969-72 period who had sufficient authority to commit AMPI or TAPE to make any political contributions?

Mr. PARR. Well, the way it worked, Mr. Sanders, is different people were making recommendations.

Mr. SANDERS. I understand recommendations.

Mr. PARR. Right; and in effect, all of the ones that I am familiar with, Mr. Nelson had to make the final approval.

Mr. SANDERS. Is it not also true that you enjoyed Mr. Nelson's confidence; you enjoyed his trust to some degree or extent, you had some authority to commit political contributions?

Mr. PARR. Yes, sir.

Mr. SANDERS. Because you knew him well, you knew what he would approve if you would ask him?

Mr. PARR. We were in constant contact with each other, yes, sir; and we had constant discussions.

Mr. SANDERS. You might not go out on a limb with a real large commitment, but up to some reasonable level, did you not feel you had some authority to commit political contributions?

Mr. PARR. Yes.

Mr. SANDERS. Where would you say the cutoff was? At what level?

Mr. PARR. Well, I just knew that I was going to always—I kept myself open to the point, which is always a good idea, to say, “I have got to get approval,” and that is the way I worked exactly.

Mr. SANDERS. Are you saying that you never, even on smaller amounts, made a commitment and then just got his approval after?

Mr. PARR. I am not going to say it that way, no.

Mr. SANDERS. It might have occurred in some instances?

Mr. PARR. It could have; I am not going to say it that way.

Mr. SANDERS. You would not accept that?

Mr. PARR. No, sir.

Mr. SANDERS. Do you think, in every instance you checked with him in advance?

Mr. PARR. I knew that he knew what I knew about any conversation I had with anybody about political matters. I had no reason not to.

Mr. SANDERS. Did AMPI at one time, have a plan or a program for amassing some funds for political contributions by means of bonuses to employees and charging of expenses by employees and repayment to a fund?

Mr. PARR. I know about that in a general sort of a way, but the details of that were handled by Mr. Nelson or Mr. Lilly or Mr. Isham. I am not familiar with it to talk fluently about it.

Mr. SANDERS. Were you ever granted a bonus by AMPI which you turned over for use in making political contributions?

Mr. PARR. I made a \$250 personal donation to Humphrey. I believe that was in his 1970 senatorial race. I am not sure whether I ever got reimbursed or not.

Mr. SANDERS. Did you ever receive a bonus from AMPI with the understanding that you would return the money for use in making a political contribution?

Mr. PARR. Let me go off the record just 1 second?

Mr. SANDERS. [Nods in the affirmative.]

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Do you know of any such instance after November 1968?

Mr. PARR. Let me answer it this way, the only one I recall is, I made a \$250 contribution to Humphrey's campaign. I believe in 1970; and I do not recall any bonuses of \$1,000, or \$2,000, or \$5,000, or \$10,000 that I would be receiving to give back to somebody in politics or have given to politics and received back from the company; but I would be glad to give you my bank records and anything else you want to establish that.

Mr. SANDERS. Without respect to your own involvement, do you know of other employees receiving bonuses which they used to return to AMPI for political contributions?

Mr. SANDERS. Without respect to your own involvement, do you know other employees receiving bonuses which they used to turn to AMPI for political contributions?

Mr. PARR. I have heard in a general way, Mr. Sanders, but——

Mr. SANDERS. Can you say—or do you want to continue?

Mr. PARR. Well, I am just trying to be conducive to your question. I mean I would rather say, "Yes," to the question than say, "No," and then have somebody say, "I knew." That's just the way I feel; so I'd just rather say, "Yes," and I don't know how to say that.

Mr. GIBSON. Let's go off the record.

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Is there any further response you wish to make?

Mr. PARR. No. Like I just got through saying, I was talking and visiting with employees and dairy farmers and people all of the time. I don't know what I have read and what I have heard and what I know, but if anybody says that I have, then I have.

Mr. DORSEN. Mr. Parr, in response to a number of questions asked earlier, you answered affirmatively concerning your knowledge or understanding of certain events that took place?

Mr. PARR. Yes, sir.

Mr. DORSEN. And in view of your last answer which indicates, if I am not mistaken, your desire to be cooperative and not to deny something that might have taken place——

Mr. PARR. That is correct.

Mr. DORSEN. I want to make sure, however, that when you answered "Yes" to prior questions, you were answering to the best of your knowledge and recollection, and not out of any feeling that you wish to accommodate us or protect yourself from possible prosecution?

Mr. PARR. No, I am just—this is my problem. I am probably the only person that knows a little bit about all of the things that you are talking about. I mean I know a little bit; I'm one of the few people that knows and I want to be cooperative. But I do not have any records, and I know that people who have been coming in and testifying do have records; and I don't have any and that is my problem.

Mr. DORSEN. However, when you have been answering with respect to specific transactions——

Mr. PARR. That I knew something about.

Mr. DORSEN. In those cases, were you testifying truthfully as best you could?

Mr. PARR. The best I knew how, yes, sir; yes, sir.

Mr. DORSEN. Again, we are not seeking any particular yes or no answer; what we are trying to do is get your knowledge. If you are not sure, say so; but do not try to answer yes or no because you think that we want or are seeking this particular answer. I hope you realize that?

Mr. PARR. I'm not trying to be evasive. I would rather do anything in the world than be evasive.

Mr. DORSEN. This is the first indication I think we have had that you might have been giving an answer that is not in accord with a specific recollection of yours. I want to make sure that you tell us what your recollection is, and not try to give us an answer that you think we might want or that we might have other evidence regarding.

Mr. PARR. Yes, well——

Mr. DORSEN. I have no further questions.

Mr. SANDERS. I appreciate your concern for this witness. I am not sure that I think your characterization of the manner of his response

is warranted. I also want to say that I am willing to yield to you, but I sit in here for hours and hours without interrupting the majority, and I would appreciate it if you would let me, once I get started—

Mr. DORSEN. That is absolutely true, you have not interrupted; on the other hand, I felt that that question might jeopardize all future and past questions, and I appreciate your giving me the opportunity to ask a few questions.

Mr. SANDERS. Well, it really seems, Mr. Parr, that—well TAPE was not created until mid-1969. Until that time, it is not apparent that there would be any legal means for the corporate entity, AMPI to make any political contributions?

Mr. GIBSON. Let's go off the record a minute.

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Until TAPE was created in 1969, it is not apparent that there was any means by which the corporate entity, AMPI could make any contributions, legally make any contributions to political candidates; and my question is whether until the time of creation of TAPE, you have knowledge of any system or program in effect within the organization for the collection of funds to be used for political purposes?

Mr. PARR. On the advice of counsel, I refuse to answer the question.

Mr. SANDERS. Are you refusing to answer the question on the basis of the fifth amendment?

Mr. PARR. Yes.

Mr. SANDERS. I will not pursue this very far, but I do have a few questions, and I accept your refusal to answer.

Mr. GIBSON. Do you understand that this is subject to trial?

Mr. SANDERS. I do. I'm not sure that I am completely aware of the parameters on it; and I do not want to force him to say anything he feels would be incriminating.

Mr. GIBSON. I think Mr. Parr wants to cooperate with regard to your question.

Mr. PARR. Yes, sir.

Mr. GIBSON. Perhaps in specifics, but not necessarily in general as broad as it is, because it does involve this other matter. The matter is set for trial, another attorney is handling the matter, and Mr. Parr is not in a position to comment on it at this particular time.

Mr. HAMILTON. I would just suggest that we ask Mr. Parr's counsel to give us the allegations of the indictment in about three sentences, so we would have some idea of what we are dealing with. I take it that there is an indictment that is public?

Mr. GIBSON. That is correct.

Mr. HAMILTON. If you can give us the allegations of the indictment, it might—

Mr. GIBSON. It involves a transaction back in 1968 that took place in Arkansas, allegedly took place in Arkansas, involving Mr. Humphrey involving a contribution Mr. Parr allegedly made.

Mr. SANDERS. Is it before November 1968?

Mr. PARR. Yes.

Mr. GIBSON. It is my recollection that it is before November of 1968.

Mr. DORSEN. I would say we also have a jurisdictional question which can legitimately be raised at least with respect to contributions prior to November 1968.

Mr. SANDERS. That is what I have just asked, whether it was before November 1968?

Mr. GIBSON. Yes, it was.

Mr. SANDERS. I want to ask you a few more questions, and they will all relate to the time period following the November 1968 election.

Mr. GIBSON. All prior to?

Mr. SANDERS. No; following the 1968 election.

Mr. GIBSON. All right.

Mr. SANDERS. After that date, are you aware of any system or program that was in effect within AMPI for the collection or amassing of funds to be used for political purposes?

Mr. PARR. Well, I testified that I knew in general about the Russell situation.

Mr. SANDERS. This is with respect to the payments to Lilly for Kalmbach?

Mr. PARR. I don't know how that was in total. I don't know exactly how that was.

Mr. SANDERS. Since you mentioned Russell and you are about to move on to something else, let me ask you, do you know of any money that Russell made available which went to Democratic candidates?

Mr. PARR. No; I do not. I am sure that there was, but right now I cannot recall.

Mr. SANDERS. How can you say that you are sure that there were?

Mr. PARR. Well, I just do not know enough of the details of the money going from Russell, paid and then received, and that combination—I just don't know enough of it to talk intelligently about it; but if, for example, the Chestnut, Valentine, I mean Valentine, Sherman, if that came from Russell, if those payments came from Russell, then that would be some Democratic candidates, or the possibility is—that's what I'm trying to say. Do you see what I'm saying?

Mr. SANDERS. Yes. I will state it in a different way. Following the November 1968 election, was any system or program in effect within AMPI for the collection of funds for political purposes utilizing bonuses to employees or employing fictitious expense vouchers submitted by employees?

Mr. PARR. There could have been, Mr. Sanders. If you have something specific, and if I know something about it, I will be glad to talk about it.

Mr. SANDERS. Did you submit any expense vouchers which were not true and which money you then made available for political contributions?

Mr. PARR. The only one I can recall that I made a contribution to was Humphrey.

Mr. SANDERS. Are you relating that to an expense voucher?

Mr. PARR. I do not know whether I got reimbursed through an expense voucher or not; or whether I did, in fact, get reimbursed. I made some personal contributions in Arkansas to some people who were running for office in Arkansas, but I do not recall—they were small like \$75, too, anyway.

Mr. SANDERS. If you had received any substantial bonus from AMPI in 1969 and following, you would remember it, would you not?

Mr. PARR. I think that I would.

Mr. SANDERS. Do you remember it?

Mr. PARR. No; not that I recall.

Mr. SANDERS. Do you have knowledge of substantial bonuses, say, \$5,000 or more, paid to other officials of AMPI which they then used to make funds available for political contributions?

Mr. PARR. Well, I could answer that I don't know and I could know. I just don't know what I do know and don't know about those things. I don't want to be evasive, but there were so many employees and so many people involved. I do not know what was—but I—

Mr. SANDERS. But you were in a very high position of responsibility and authority in AMPI, and one would suppose that you knew what was going on, at least in the upper echelons among key employees, among regional managers, for example. Were bonuses being paid to these men?

Mr. PARR. Mr. Sanders, I just do not recall that. I just don't know.

Mr. SANDERS. All right.

Mr. PARR. I want to be helpful to you if I could be helpful to you. But it would be pure speculation on my part to try to recall who it was and if so, in what amounts. I just do not know.

Mr. SANDERS. When you spoke first with Valentine about his proposal to do political work in various States, as of that point of time had you ever thought—I should say, before that point of time, had you ever thought that AMPI was in need of rural mailing lists in order to conduct some membership effort?

Mr. PARR. No; I never heard of a rural mailing list before.

Mr. SANDERS. Had AMPI ever conducted a membership campaign by means of a general mailing? In other words, a mass mailing to all dairy farmers that it could think of and solicit them to join AMPI?

Mr. PARR. I would think that we had mailed our magazine to more than our members for the purpose of letting them know about the organization.

Mr. SANDERS. And how did you come up with names of nonmember dairy farmers?

Mr. PARR. You could get those from just knowledge of the area.

Mr. SANDERS. Your own regional and division managers would know?

Mr. PARR. They would know some of those. Yes, sir.

Mr. SANDERS. Or they could get them from the county agent probably?

Mr. PARR. Those kind of ways, probably.

Mr. SANDERS. You would not really have to pay a lot of money to get those names?

Mr. PARR. No, sir.

Mr. SANDERS. Now, you remember the document that Mr. Hamilton has shown you, which was the proposal from Valentine, Sherman. And you will recall in there on the last page there was mention of—it says, item three is: "AMPI would have superior lists by which to help organize its membership."

That thought, that idea, did that come from you?

Mr. PARR. No, sir.

Mr. SANDERS. That was Valentine's idea?

Mr. PARR. I guess. I don't know. He wrote it.

Mr. SANDERS. Well, he could have had consultations or input.

Mr. PARR. I don't know how it really got there. I already testified what I think about this.

Mr. SANDERS. Today?

Mr. PARR. Yes, to Mr. Hamilton.

Mr. SANDERS. Yes, I recall what you said about it. But I wanted to be specific about whose idea it was, the input on that item three was, since it is in there.

Mr. PARR. I don't know how that got in there.

Mr. SANDERS. It was not you?

Mr. PARR. How do you know whose idea it is, when there is discussion and somebody writes them?

Mr. SANDERS. What I'm saying is, you had not talked with him before?

Mr. PARR. [Nods negatively.]

Mr. SANDERS. You had never met Mr. Valentine before; I thought you said—

Mr. PARR. As I testified, I don't know when I met Valentine. When something is the genesis of something, I don't know when it becomes the genesis and when it becomes Leviticus.

Mr. SANDERS. After talking to Valentine on that day about that proposal, I assume that you had some consultation with Mr. Nelson, then, about what Valentine, Sherman wanted to do?

Mr. PARR. I don't know when Mr. Nelson and I began talking about it, but we had consultations about it.

Mr. SANDERS. In those consultations, do you recall mentioning to Mr. Nelson that AMPI would get some lists which would be useful in the membership drive?

Mr. PARR. Mr. Nelson knew what I knew about it.

Mr. SANDERS. Which was that it was for political purposes, as opposed to any membership aspects?

Mr. PARR. Yes, sir.

Mr. SANDERS. So it is unlikely that you had any discussion about using it for membership purposes?

Mr. PARR. I am sure that could have been a possible fallout. I mean, you never knew what you were going to get. I am not saying we did not talk about membership lists. We did.

Mr. SANDERS. Did you ever hear any other discussions about other uses that might be made of the lists by AMPI—and I could give you some examples?

Mr. PARR. All right, sir.

Mr. SANDERS. For example, to market cheese?

Mr. PARR. Well, I know this. That we tried to sell cheese to our members and their friends in some year, and it could have been used for that.

Mr. SANDERS. But you have the addresses of your own members?

Mr. PARR. Yes, but we also tried at one time to really expand cheese sales by getting people aware that cheese would be a good Christmas present. And I don't know whether they're still doing that or not, but we did it one or two times.

Mr. SANDERS. Now, what you have said is that it could be. Do you have any more specific recollection?

Mr. PARR. No, sir, I do not recall it. I am not saying it was not talked about.

Mr. SANDERS. How about for selling insurance?

Mr. PARR. That could be so, too, I guess. But they sound to me like they were self-serving statements.

Mr. SANDERS. At one point in the questioning by Mr. Hamilton, you said that you had a conversation or conversations—I do not recall which—with Chestnut?

Mr. PARR. Yes.

Mr. SANDERS. But you could not recall whether it was in relationship to Valentine, Sherman?

Mr. PARR. Then Mr. Hamilton showed me a letter, I believe, that indicated that I had received correspondence from Mr. Chestnut about Valentine, Sherman.

Mr. SANDERS. I know what it is. It's the August 3 letter from Valentine which mentions Chestnut in the first sentence.

Mr. HAMILTON. And indicates that if you had any question about the contract that you were receiving, that you could call Chestnut and he would clear it up.

Mr. PARR. OK. Go ahead.

Mr. SANDERS. So my question is, Can you recall what other things you might have talked to Chestnut about? What other things might you have had the need to discuss with him?

Mr. PARR. I know we had discussion with Chestnut about his representing us up in Minnesota. I have forgotten when it was.

Mr. SANDERS. Representing AMPI?

Mr. PARR. Yes.

Mr. SANDERS. Did that go through?

Mr. PARR. It seems to me it did. I am not sure about how, but it seems to me that it did.

Mr. SANDERS. For what reason was his retainer desired?

Mr. PARR. For what reason what?

Mr. SANDERS. Why did you desire his retainer?

Mr. PARR. We were new in Minnesota. He had—he was quite active in Minnesota and knew his way around the Minnesota legislature and the laws of Minnesota. I have forgotten what year this was.

Mr. SANDERS. Who recommended Chestnut's employment or retainer?

Mr. PARR. It seems to me, my first—Mr. Nelson's relationship with Mr. Chestnut had to come from somebody that knew him, and that would be, I believe, Bill Connell.

Mr. SANDERS. Was it you who asked Connell for the recommendation of an attorney in Minnesota?

Mr. PARR. I don't know. I know this, that we had—there were some—I don't remember the specifics, but there is something in the Minnesota legislature that was—I believe a bill was trying to go through or something. One of our rival cooperatives up there, Land O' Lakes, was domiciled in Minnesota. And I believe we had discussion about—Chestnut would be helpful in keeping us posted on Minnesota activities.

Mr. SANDERS. Was there any reason why Chestnut could not be retained directly by AMPI and paid directly by AMPI?

Mr. PARR. Well, yes. I recall something along that line, too. We had just got all of these organizations together. We had attorneys and consultants, and I have forgotten how the decision was made that it

would be better to come. I believe that would be over Connell. I am not positive, Mr. Sanders. Other than to add another person to the long list of people we had.

Mr. SANDERS. Who were you concerned about might object, see a long list and object to it?

Mr. PARR. I don't know. We had so many—well, AMPI was new and it had so many people who were looking at it with all kinds of thoughts.

Mr. SANDERS. Do you have a recollection that Chestnut was paid through Connell?

Mr. PARR. I believe that's correct. The records ought to show it, but I don't—

Mr. SANDERS. Did you say the only purpose for doing that was to avoid having another attorney added to the long list of consultants already serving AMPI?

Mr. PARR. I believe that is correct.

Mr. SANDERS. You have no knowledge that the money going to Chestnut was used for any political purposes? That is, for contributions to any political candidate.

Mr. PARR. No, I don't think so. It seems to me the amount was very nominal. I don't recall that even, but—

Mr. SANDERS. Our information is the total was \$5,000 for about 8 months, over a period of 8 months.

Mr. PARR. I thought it was very nominal. And no, I don't think it had any political significance at all, if that's what you're trying to clear up. I do not think so.

Mr. SANDERS. So you think you may have had some conversations with Chestnut in this matter we have just now been discussing?

Mr. PARR. As I recall, Chestnut's background had been—in fact, I believe he had worked in the Department of Agriculture. He had a good knowledge of Minnesota and Minnesota agriculture, and we really did not want—we were just going into Minnesota, really, so we did not want to get tied down with anybody until we knew what the lay of the land was, I guess.

Mr. SANDERS. You were not there much in 1972?

Mr. PARR. No, sir.

Mr. SANDERS. In 1971, did you have any discussion or conversation with Chestnut about contributions for the Humphrey campaign?

Mr. PARR. I believe he was the campaign manager.

Mr. SANDERS. He was the campaign manager.

Mr. PARR. Well, we had that December meeting that I was talking about. He was there.

Mr. SANDERS. Well, you said you made a pledge during the meeting. But my question was, did you have any conversation with Chestnut about contributions?

Mr. PARR. I am sure we discussed—I do not know any of the details. So that you can get a picture of what I keep trying to remember what you are talking about, everywhere we were going, people were talking to us. Every time you turned around, there was somebody getting at your coattail.

Mr. SANDERS. Or in your pocket?

Mr. PARR. Or trying to tug at you. And let me also state this. We had about 50 directors, and we had key employees, and we had people. It's like a nightmare to me right now, the way all of these things were

flowing and coming. I know something about all of the things you are talking about, but I don't know some of the specifics.

Mr. SANDERS. Do you have any recollection of talking with Chestnut about contributions for Humphrey in any respect other than a pledge you made to him at this public meeting or semipublic meeting?

Mr. PARR. I am not saying that I did not, but I cannot recall anything specifically. If you've got anything to refresh my recollection, I would be glad to talk about it.

Mr. SANDERS. And you have no knowledge, then, that \$25,000 was paid to Valentine, Sherman on the Humphrey account by AMPI?

Mr. PARR. I may have knowledge of it, but I do not recall it.

Mr. SANDERS. Well, is the knowledge you speak of that which you may have just acquired, let us say this year?

Mr. PARR. It could have been this year, or—

Mr. SANDERS. What I'm interested in is something that would have occurred in 1971 or 1972, some knowledge you would have acquired during that period of time.

Mr. PARR. I just do not recall specifically, Mr. Sanders.

Mr. SANDERS. This is an AMPI check, December 21, 1971, for \$25,000 to Valentine, Sherman.

Mr. PARR. \$25,000. Can I see that document you had awhile ago, the one that the contract was?

Mr. HAMILTON. Yes.

Mr. PARR. It appears to me that this document that you gave me, dated December 21, 1971, and this document here, that was previously described, a contract between Valentine, Sherman, and AMPI, signed to Mr. Nelson, is in some way connected. It talks about \$25,000 over here [indicating] and this was \$25,000 over here [indicating]. That looks like what it is. But I do not—

Mr. SANDERS. You should understand that there is also a \$25,000 payment by AMPI at the end of July?

Mr. PARR. Of?

Mr. SANDERS. Of 1971.

Mr. PARR. I see. Well, to my knowledge, I have never seen this [indicating] here before. And I do not know.

Mr. SANDERS. When you say "this," for our record he is pointing to the \$25,000 check.

Mr. PARR. Yes, sir.

Mr. SANDERS. December 21.

Mr. PARR. All I am testifying to is after the discussion with Sherman and Valentine at some point in this thing [indicating] how the payments were made and for what purposes, under what auspices. I do not have any independent recollection of it.

Mr. SANDERS. While you were with AMPI, especially within the latter 3 years, did you have a personal or private secretary?

Mr. PARR. Yes.

Mr. SANDERS. What was her name?

Mr. PARR. Mrs. Kirk.

Mr. SANDERS. Did she serve you from at least 1969 through 1972?

Mr. PARR. Yes, I believe so.

Mr. SANDERS. Did she keep your files for you?

Mr. PARR. Yes.

Mr. SANDERS. Do you have any acquaintanceship with the manner in which she kept your files?

Mr. PARR. What do you mean?

Mr. SANDERS. Do you know what general subject matters she kept and how she broke the filing down?

Mr. PARR. I guess alphabetically.

Mr. SANDERS. Did she have any subject matter files—for example, would it have been logical that there would have been a file for Valentine, Sherman?

Mr. PARR. Yes, if I had letters from Sherman, Valentine.

Mr. SANDERS. Instead of filing them under "V," she might have made a subject matter file on them?

Mr. PARR. I don't remember exactly how she did it, whether it was alphabetically or by issues.

Mr. SANDERS. When you left AMPI, did you take any files with you?

Mr. PARR. I took my personal files.

Mr. SANDERS. Including correspondence?

Mr. PARR. My own personal correspondence. Yes, sir.

Mr. SANDERS. Would you put correspondence with Valentine, Sherman in the category of personal?

Mr. PARR. All of the files I have, I would be glad to send to you.

Mr. SANDERS. I am not sure that I want them.

Mr. PARR. Oh, OK.

Mr. SANDERS. I'm just trying to decide if you would put correspondence with Valentine, Sherman in the category of personal correspondence.

Mr. PARR. No, sir.

Mr. SANDERS. Do you recall having any conversations with any persons on the staff of Governor Docking or on his campaign committee related to the project being conducted by Valentine, Sherman?

Mr. PARR. Yes, I met with Governor Docking. I do not know who was with me. Yes, I do. There was—Mr. Townsend was with me and Mr. Frank White was with me, Mr. Noland Barker was with me.

Mr. SANDERS. Approximately when?

Mr. PARR. If you could refresh when he ran—

Mr. SANDERS. Would this have been after Valentine, Sherman undertook to do this work, so it would have been sometime in 1971? Or was it before you met with Valentine and received the proposal?

Mr. PARR. Did Docking run in 1972?

Mr. SANDERS. I cannot say.

Mr. PARR. I do not recall any relationship between Sherman, Valentine and Docking. Docking was considering running for Senate out there, and this is the first time I remember meeting him. I don't put any connection between the two of them.

Mr. SANDERS. I see.

This meeting you just told us of had no relationship to the State work—State projects that Valentine, Sherman had contemplated?

Mr. PARR. I don't remember that that was.

Mr. SANDERS. In connection with the Valentine, Sherman project, do you recall meeting with Governor Hall or any of his staff?

Mr. PARR. Well, again, I met with Governor Hall.

Mr. SANDERS. But I said in connection with Valentine.

Mr. PARR. I just do not know, the two of them, whether we were relating them or not relating them, Mr. Sanders. It does not ring a bell with me that there was any relationship. I do not know whether

there was or was not. There doesn't seem like to me that there was. Maybe it was, and I just do not know.

Mr. SANDERS. Well, I think that you should know that AMPI eventually paid \$137,000 to Valentine, Sherman for various projects, and that we have been told that shortly after July 19, 1971, that you and Nelson and Townsend said that AMPI was committed to pay \$140,000 to Humphrey and Mills through Valentine and Associates.

Now, does that strike any recollection with you?

Mr. PARR. Not the Mills portion, and I don't know about the Humphrey portion. I have heard that someplace before, but I do not remember any—I do not know how to answer, because I do not recall anything about it. But if somebody said I said it, I don't mind agreeing to it.

Mr. SANDERS. Well now, if you do not remember it—what I want is what you truly recall.

Mr. PARR. I do not remember \$140,000 to Humphrey and/or Mills.

Mr. SANDERS. Do you recall \$140,000 to Humphrey?

Mr. PARR. No, sir. I do not. I remember Sherman and Valentine, what you want to know about that. But I do not remember the specifics about \$140,000.

Mr. SANDERS. Do you recall that \$50,000 was to go to Humphrey, with only \$5,000 of it from TAPE?

Mr. PARR. I remember making a pledge for \$50,000, but I don't know whether \$5,000 was to come from TAPE or what the disposition of it was. I will not deny it. If you have anything that indicates, I would be most happy to accommodate you.

Mr. HAMILTON. I have a couple more on this that I thought about while you were questioning.

Did you or Mr. Nelson ever specifically ask AMPI to provide the rural route list to you?

Mr. PARR. Did me and Nelson do what?

Mr. HAMILTON. I'm sorry. Ask Valentine, Sherman to provide to you the rural route list that they could provide by virtue of the work that they were doing?

Mr. PARR. I don't remember asking for them.

Mr. HAMILTON. Do you know if Nelson did?

Mr. PARR. No, sir; I do not know.

Mr. HAMILTON. I asked you a while ago about Mr. van Dyk, and you said, if I remember right, that you did not know what he had to do with any of Valentine's projects; is that correct?

I think you had no recollection of his involvement.

Mr. PARR. No, sir. I do not recall. He might have had, but I do not recall it.

Mr. HAMILTON. I want to show you a letter that is dated June 15, 1971, to you from Mr. Valentine, and ask you to read this.

Mr. PARR. All right.

Mr. HAMILTON. My question is, does this letter refresh your recollection as to the involvement of Mr. van Dyk in AMPI's dealings with Valentine, Sherman, especially in regard to the Iowa project?

Mr. PARR. Yes.

Mr. HAMILTON. What do you now remember about Mr. van Dyk's role?

Mr. PARR. I thought Mr. Connell was the man who had introduced us to Mr. Valentine. Maybe Mr. Connell and Mr. van Dyk both were discussing these matters with us.

Mr. HAMILTON. In regard to Iowa, do you remember what Mr. van Dyk was doing?

Mr. PARR. I guess it was along the same lines that this proposal here is talking about.

Mr. HAMILTON. But Valentine, Sherman would perform what they proposed. What was Mr. van Dyk doing? Was he an intermediary?

This letter says, "See the attached invoice for the Iowa project per instructions from Ted van Dyk." Why was Ted van Dyk giving Valentine instructions about sending an invoice to you?

Mr. PARR. I recall, Mr. Hamilton, that Mr. van Dyk made a poll for us. I do not recall exactly what Mr. van Dyk's involvement in Iowa was, but he made some polls for us. And I am talking about—of a political nature that was not a passthrough of any money of any sort. But specifically, I do not know what that was about.

Mr. HAMILTON. When he says: "If you have any questions, please contact Mr. van Dyk or me." That's what the letter says from Valentine. I mean, it indicates that Mr. van Dyk was rather intimately wrapped up in what Valentine, Sherman was doing in Iowa.

Mr. PARR. Yes, sir; I agree. But I do not know what it was.

Mr. HAMILTON. All right. I want to change the subject again, and I want to ask you some questions about AMPI's relations with Congressman Mills.

Mr. PARR. Yes, sir.

Mr. HAMILTON. And the first question is whether or not in late 1971 or early 1972 there were several AMPI employees who moved to Washington and worked in the Mills campaign while still on the AMPI payroll?

Mr. PARR. Yes.

Mr. HAMILTON. And who was that?

Mr. PARR. Joe Johnson, Betty Clements, and Terry Shea. The way he spells his name slips by me now. I think it is spelled S-h-e-a.

Mr. HAMILTON. So Joe Johnson, Betty Clements, and Terry Shea?

Mr. PARR. Yes.

Mr. HAMILTON. And Terry is a man?

Mr. PARR. Yes.

Mr. HAMILTON. When did they come to Washington?

Mr. PARR. The best I can remember is November, I believe.

Mr. HAMILTON. And they stayed until after you left AMPI?

Mr. PARR. Yes.

Mr. HAMILTON. And do you know what their combined monthly salary would have been?

Mr. PARR. I suppose around \$2,500.

Mr. HAMILTON. So they worked 3 months. That means that was a contribution of about \$7,500?

Mr. PARR. I do not know whether that is right or wrong. At the time there was the thinking that it was a drafting Mills thing, this beginning, that we were involved in political matters, and our thoughts at the time were to learn how and to see how it all started at the very beginning, to give us experience. We did not think, I did not think that—and I am sure Mr. Nelson did not think, or the people

involved did not think that it was—well, we didn't give any thought to it that it was illegal.

Mr. HAMILTON. Who in AMPI made the decision to let these three people go to Washington?

Mr. PARR. Mr. Nelson and myself.

Mr. HAMILTON. Whose idea was it?

Mr. PARR. Probably mine.

Mr. HAMILTON. And you took it to Mr. Nelson and got it approved?

Mr. PARR. Yes, sir; the best I can remember. Yes, sir.

Mr. HAMILTON. With whom in the Mills campaign did you work this out?

Mr. PARR. I don't know that we worked it out with anybody.

Mr. HAMILTON. Well, obviously, these three guys didn't just arrive.

Mr. PARR. Yes.

Mr. HAMILTON. They just arrived at the Mills headquarters and said, "We're here to work for you"?

Mr. PARR. Yes, absolutely.

Mr. HAMILTON. Who did they report to? Who was their first contact?

Mr. PARR. I believe a man by the name of Mr. Ward was the titular head of it.

Mr. HAMILTON. Mr. Ward. Do you know his first name?

Mr. PARR. Charles.

Mr. HAMILTON. Charles Ward?

Mr. PARR. Yes.

Mr. HAMILTON. And he was what, the campaign director as such?

Mr. PARR. I do not know what they called him at that time.

Mr. HAMILTON. He was the head of the office?

Mr. PARR. Yes.

Mr. HAMILTON. And was he on the Mills payroll, the House payroll? Or was he up there just to run the—

Mr. PARR. I think he was volunteering.

Mr. HAMILTON. And did you have any conversations with Mr. Ward about these people?

Mr. PARR. I do not recall any. I could have.

Mr. HAMILTON. Did you have any conversations with Mr. Mills about them?

Mr. PARR. I do not recall any with Mr. Mills.

Mr. HAMILTON. Do you recall any conversations with anybody on the Mills staff or payroll, congressional staff, campaign staff?

Mr. PARR. I am sure they knew it. We did not try to hide it.

Mr. HAMILTON. My question is—I am sure they knew it, too, because they were there, unless they pictured them as a heavenly gift or something. My question is whether or not you talked to anybody on the Mills staff, either Mr. Mills or someone below him?

Mr. PARR. I do not remember any specific instance, Mr. Hamilton. But I would not deny that I talked to them.

Mr. HAMILTON. Would you know if Mr. Nelson talked to anyone?

Mr. PARR. No, sir. I would not know.

Mr. HAMILTON. Do you know if anybody in AMPI talked to anybody in the Mills staff—anybody, excluding these three people that went up there—talked to the staff about their being there?

Mr. PARR. No, sir. I do not know.

Mr. HAMILTON. Where is Mr. Johnson today?

Mr. PARR. Do you mean right now?

Mr. HAMILTON. Where does he work?

Mr. PARR. I believe he works for Mr. Nelson.

Mr. HAMILTON. Now?

Mr. PARR. Yes, sir.

Mr. HAMILTON. And Mr. Nelson works where now? We have probably got that on the record but—

Mr. SANDERS. Yes; he is with American Grain and Cattle Co. in San Antonio, but perhaps they have an office here. I do not know.

Mr. PARR. I do not know the arrangement.

Mr. HAMILTON. So you do not know where Mr. Johnson is. Do you know where Ms. Clements is?

Mr. PARR. Yes; she lives in Little Rock. I saw her at a funeral the other day.

Mr. HAMILTON. What does she do?

Mr. PARR. I do not think she works now. She doesn't work.

Mr. HAMILTON. What is her husband's name? Is she married?

Mr. PARR. Yes.

Mr. HAMILTON. What is her husband's name?

Mr. PARR. I don't know. Bob somebody. She married after she got to Washington.

Mr. HAMILTON. So she is no longer Clements?

Mr. PARR. No, sir. I do not know her married name.

Mr. HAMILTON. And the other fellow's name was Terry—

Mr. PARR. Terry Shea.

Mr. HAMILTON. Where is he now?

Mr. PARR. I believe he still lives here in Washington.

Mr. HAMILTON. Do you know where he is?

Mr. PARR. No, sir.

Mr. HAMILTON. If we wanted to talk to somebody in the Mills staff, would we talk to Mr. Ward?

Mr. PARR. Well, Mr. Ward wasn't on Mr. Mills' staff.

Mr. HAMILTON. Where is Mr. Ward now?

Mr. PARR. He lives in Conway, Ark.

Mr. HAMILTON. What does he do?

Mr. PARR. His father and he own the Ward Manufacturing Co., a bus manufacturing company—schoolbuses.

Mr. HAMILTON. Is he Charles Ward, Jr., if we tried to reach him?

Mr. PARR. His name is Charles Ward. I don't know whether—no; it would be Charles Ward.

Mr. HAMILTON. It would be?

Mr. PARR. Yes, sir.

Mr. HAMILTON. And he lives in Conway, Ark.?

Mr. PARR. Yes, sir.

Mr. HAMILTON. Can you give me the name of anybody on the Mills staff that knew of this arrangement?

Mr. PARR. I am sure that Mr. Goss knew it.

Mr. HAMILTON. What's his name?

Mr. PARR. Gene Goss.

Mr. HAMILTON. Could you spell that?

Mr. PARR. G-o-s-s.

Mr. HAMILTON. And who is Mr. Goss?

Mr. PARR. An administrative assistant to Mr. Mills.

Mr. HAMILTON. Is he still there?

Mr. PARR. Yes.

Mr. HAMILTON. Do you know why these individuals were taken away from the Mills office in January?

Mr. PARR. I think I read where the now general manager, Dr. Mehren, eliminated them.

Mr. SANDERS. Could I clarify a point off the record?

[Discussion off the record.]

Mr. HAMILTON. Back on the record.

Is it your knowledge that in January the three individuals who had gone to work for Mr. Mills left the AMPI payroll and continued to work for Mr. Mills in his campaign office? Do you have any knowledge of that?

Mr. PARR. Yes; I have heard that they left. But I do not know whether there were some continuancies or not. I do not know for how long they paid them. It seems to me that there was—I just don't recall the details.

Mr. HAMILTON. And just to clarify one earlier thing that I asked you, is it correct that after you and Mr. Nelson decided that you would donate the services of these three individuals to the Mills campaign, that you sent them to Washington without first notifying somebody in the Mills staff to make the arrangements?

Mr. PARR. I would not say that. I just do not know the particulars. I am sure that there were some notifications or something that they were there. Mr. Johnson was traveling with Mr. Mills; so I do not know, to be responsive to your question, just how we did that.

Mr. HAMILTON. Do you want to ask any questions?

Mr. SANDERS. Yes; you have made some remark that Johnson, Shea, and Clements were sent to Washington so they could learn the legislative process. Is that what you—

Mr. PARR. The beginning process of a Presidential campaign.

Mr. SANDERS. Do you know, in fact, what they did for the at least 3 months that they were here?

Mr. PARR. I believe that Mr. Johnson traveled with Congressman Mills. I believe Ms. Clements worked in the draft Mills for President Committee, and I believe that Mr. Shea—

Mr. SANDERS. She worked as an office employee?

Mr. PARR. Yes; in the draft Mills for President office.

Mr. SANDERS. All right.

Mr. PARR. And I believe Mr. Shea was what they call an advance man.

Mr. SANDERS. You knew at the time what they were doing. You did not find these things out later. You knew currently what they were doing?

Mr. PARR. Yes.

Mr. SANDERS. And you knew they were still on the payroll of AMPI?

Mr. PARR. Yes.

Mr. SANDERS. Were they also being paid anything by the Mills campaign?

Mr. PARR. Not that I know of.

Mr. SANDERS. And yet they were working full time or virtually full time for the Mills campaign?

Mr. PARR. Yes.

Mr. SANDERS. Did you have any thought that back then, by their salaries being paid by corporate funds, that this might be illegal?

Mr. PARR. No, sir. I did not.

Mr. SANDERS. Did Mr. Ward know that they were being paid by AMPI?

Mr. PARR. By deduction I guess he would, because he was not paying them.

Mr. SANDERS. Because he was not paying them?

Mr. PARR. Yes, sir.

Mr. SANDERS. And Mr. Goss, would he have known the same?

Mr. PARR. I do not know what relationship Mr. Goss had with the——

Mr. SANDERS. Are you saying that before they came here you did not have any conversation with Mr. Goss about what services they would perform?

Mr. PARR. I do not remember any specific. I would not deny that we had a discussion. But I do not remember anything specific.

Mr. SANDERS. You might have had conversation with him before they came?

Mr. PARR. I certainly do not remember any.

Mr. SANDERS. Would it not be logical that you would, since he was Mr. Mills' top staffer?

Mr. PARR. I did not try to make it any secret, Mr. Sanders. I am not trying to evade your question. It was no secret.

Mr. SANDERS. It would seem logical that if he were Mills top staffer——

Mr. PARR. I just do not recall any specific conversion with him.

Mr. SANDERS. What was the arrangement made, if any, for their lodging?

Mr. PARR. AMPI paid for it.

Mr. SANDERS. What were the details of that?

Mr. PARR. I believe there were two apartments. I believe that is correct. Mr. Johnson made the arrangements. I just do not know the amounts.

Mr. SANDERS. Did you process the bills for those lodging expenses?

Mr. PARR. I do not know where those bills came, whether they came to Little Rock——

Mr. SANDERS. You have no recollection of seeing them?

Mr. PARR. I have no recollection; no, sir.

Mr. SANDERS. Do you know the approximate total value?

Mr. PARR. Of the apartments?

Mr. SANDERS. Yes, sir.

Mr. PARR. No, sir. I did not.

Mr. SANDERS. Were you ever in the apartments, either one?

Mr. PARR. Yes; I was in Mr. Johnson's, I believe twice.

Mr. SANDERS. Was it a townhouse or an apartment in a larger building?

Mr. PARR. It was an apartment. I guess you would call it an apartment.

Mr. SANDERS. Who occupied the apartments, the three of them in the two apartments?

Mr. PARR. I believe that's the way it was.

Mr. SANDERS. Presumably, one for the two men and one for the woman?

Mr. PARR. I believe that's the way it was. Yes, sir. Yes, sir.

Mr. SANDERS. Had Ms. Clements been a secretary to Mr. Johnson in Little Rock?

Mr. PARR. She worked in the Little Rock office.

Mr. SANDERS. In what capacity did she serve?

Mr. PARR. As a secretary.

Mr. SANDERS. Did not Johnson continue on in the Mills campaign after 1972? Did he not actually become manager of sorts?

Mr. PARR. Yes; he continued. I do not know what his title was.

Mr. SANDERS. Do you know how long he continued in the Mills campaign?

Mr. PARR. Until it disbanded, I guess.

Mr. SANDERS. Until the end?

Mr. PARR. Yes, sir.

Mr. SANDERS. Do you know if he was eventually salaried by the Mills campaign?

Mr. PARR. I guess so.

Mr. SANDERS. Did he ever tell you that he was now being compensated by them?

Mr. PARR. Yes. I guess that is where he got his money.

Mr. SANDERS. Did AMPI pay for any office expenses for the Mills campaign?

Mr. PARR. Not that I recall.

Mr. SANDERS. For example, the office rent?

Mr. PARR. Not that I recall.

Mr. SANDERS. Do you recall that AMPI paid for any Mills advertising?

Mr. PARR. Not that I recall.

Mr. SANDERS. Did you arrange a rally for Mills in Iowa?

Mr. PARR. I assisted. Yes, sir.

Mr. SANDERS. Who was principally responsible for the arrangements?

Mr. PARR. This was——

Mr. HAMILTON. I was going to do that, but——

Mr. SANDERS. I see. Yours was limited to Washington.

Mr. HAMILTON. Go ahead. It will save my voice.

Mr. PARR. I believe this was in October, November, September.

Mr. SANDERS. The documents I have seen indicate October 2, 1971.

Mr. PARR. All right. All right, that is when it was. Yes, sir.

Mr. SANDERS. And you say you were not the principal arranger for that?

Mr. PARR. I did not say that.

Mr. SANDERS. Oh, I thought you gave me some indication that somebody else was involved in it besides you?

Mr. PARR. The entire——

Mr. SANDERS. You had ultimate responsibility for it, I presume?

Mr. PARR. Well, let me go back. I will just start in the beginning with it.

Mr. SANDERS. OK.

Mr. PARR. We had had a—September of 1971 we had had an AMPI annual meeting, and Mr. Nixon was the principal speaker and, as I have testified before somewhere—I don't know where it was, here or someplace else—it was one of our thoughts that we would try

to have debated in the Midwest in 1972 the cheap food policy that agriculture had been under for a long time. So Mr. Mills agreed to make a talk.

So October is cooperative month, and Mr. Johnson went to Iowa to look for a location for such a meeting. I believe it was secured in Ames, Iowa. We got the Cooperative League, I believe they call it, of Iowa to invite the Congressman there, Iowa being the center portion of the country. And we had numerous employees in Iowa to try to get a crowd of people to attend this meeting.

I believe Senator—

Mr. HAMILTON. Hughes?

Mr. SANDERS. Clark?

Mr. PARR. No; the one before that; Miller. I believe Senator Miller was in attendance.

Our purpose was—three or four purposes. No. 1 was to try to get the people of Iowa, our own people, involved in—more involved in matters within their own State. No. 2 is to have a Congressman of Mr. Mills stature to talk about, or we suggested he talk about the problems facing agriculture as he saw them.

And the dairy organizations of Mid-America, Dairymen, Inc., the local cooperatives in that area, all joined together for this function.

Mr. SANDERS. Would it be fair to say that an additional purpose would be to give more prominence to Mills?

Mr. PARR. Yes, sir. I would have to say that.

Mr. SANDERS. Did Senator Miller speak?

Mr. PARR. Well, I did not attend the meeting personally, so I do not know who spoke.

Mr. SANDERS. Was Mills the principal speaker?

Mr. PARR. Yes, sir.

Mr. SANDERS. Undoubtedly, you had some manner of advertising or notices to attract attendance at the function?

Mr. PARR. Yes, sir.

Mr. SANDERS. How was it billed? How was it labelled?

Mr. PARR. Cooperative month in Iowa, or something, celebrating cooperative month.

Mr. SANDERS. Did Congressman Mills receive any prominent notice in the advertisements?

Mr. PARR. Yes. May I say something else?

Mr. SANDERS. [Nods in the affirmative.]

Mr. PARR. Another idea that we were toying around with was to—and this was sort of the beginning of it—was to have up and down the Midwest in particular next year, 1972, a day in each State, and just see what we could do to have the—whoever the two candidates were in 1972, to come to these areas and to discuss farm problems. That is another thing we were trying to think about.

Mr. SANDERS. After the national conventions?

Mr. PARR. Yes, sir.

Mr. SANDERS. Did you have any thought to hold meetings up and down the Midwest for Mills to be the principal speaker?

Mr. PARR. If he had been the nominee we would.

Mr. SANDERS. Before the national convention, I am thinking.

Mr. PARR. I do not recall anything like that. We were really thinking of the idea of trying to get farmers day in Kansas, farmers day

in Oklahoma, farmers day in Nebraska, up and down the Midwest.

Mr. SANDERS. When this rally in Iowa was held in October, Mills had not yet declared for the Presidency, had he?

Mr. PARR. No, I do not think he declared for the Presidency on up into 1972.

Mr. SANDERS. Early 1972?

Mr. PARR. Yes.

Mr. SANDERS. Were you aware that he was thinking of it toward the end of 1971?

Mr. PARR. I dare not think what Mr. Mills was thinking.

Mr. SANDERS. Were you thinking of it for him?

Mr. PARR. I always wanted him to be—

Mr. SANDERS. To run for the Presidency?

Mr. PARR. If he wanted to.

Mr. SANDERS. Had you told your friends and associates that you thought Mills should run for the Presidency?

Mr. PARR. I don't think it would make any difference what I thought. Nobody tells Mr. Mills what to do that I know of. I certainly don't think for him.

Mr. SANDERS. Were you touting him for the Presidency?

Mr. PARR. Yes; I would have to say I was.

Mr. SANDERS. Did you solicit contributions from AMPI employees for Mills in 1970, late 1971, and early 1972?

Mr. PARR. Yes, sir.

Mr. SANDERS. Would you want to explain that, the best that you can remember it, or do you want me to question you about it?

Mr. PARR. Yes; we did have employees and others. I believe the figure raised was about \$40,000, as I recall, individual contributions to draft Mills.

Mr. SANDERS. Over what period of time?

Mr. PARR. I think it was about 1½ months.

Mr. SANDERS. December, January?

Mr. PARR. No, in the fall.

Mr. SANDERS. What?

Mr. PARR. The fall.

Mr. SANDERS. Of 1971?

Mr. PARR. Yes, sir.

Mr. SANDERS. October and November?

Mr. PARR. I think it was November and December, but I am not sure.

Mr. SANDERS. Who initiated the idea to conduct that solicitation?

Mr. PARR. I did.

Mr. SANDERS. Did you get Mr. Nelson's approval on it?

Mr. PARR. Yes.

Mr. SANDERS. Did you talk about it in advance with Ward or Goss?

Mr. PARR. I do not recall. I could have.

Mr. SANDERS. What did you do to implement your idea?

Mr. PARR. Various employees and board members of AMPI, especially the southern part of AMPI, all were involved in it.

Mr. SANDERS. Was it all done by personal contact, or was there some other means?

Mr. PARR. I do not know exactly how it was done. I guess by personal contact.

Mr. SANDERS. Did you ask your regional managers to handle it in their areas?

Mr. PARR. It was mostly division managers. It was mostly in the South.

Mr. SANDERS. In talking with key people in AMPI whom you expected to make further solicitations, did you tell them of any guidelines or certain amounts?

Mr. PARR. Raise what they could. I don't remember any particular—

Mr. SANDERS. Anything per head?

Mr. PARR. I do not remember any. —Just, you ask a guy, and he gives.

Mr. SANDERS. What is the largest individual contribution you are aware of from within the organization?

Mr. PARR. I believe some board members gave as high as \$250.

Mr. SANDERS. \$250?

Mr. PARR. Yes, sir.

Mr. SANDERS. You know of no larger contribution than that?

Mr. PARR. No, sir.

Mr. SANDERS. A total of about \$40,000 was raised?

Mr. PARR. Yes, sir.

Mr. SANDERS. Who delivered the money to the Mills campaign?

Mr. PARR. It was sent to me and I sent it to Washington.

Mr. SANDERS. How did you send it to Washington? Did you personally deliver it?

Mr. PARR. I think it was mostly by mail.

Mr. SANDERS. As you were receiving it, you would keep forwarding it? You did not wait until you had it all together?

Mr. PARR. No, sir.

Mr. SANDERS. Who did you address it to?

Mr. PARR. I believe to Gene Goss.

Mr. SANDERS. As you sent it to him, did you send him the names of the persons who had contributed?

Mr. PARR. I believe so, and the amounts.

Mr. SANDERS. Were some persons contributing in cash?

Mr. PARR. Yes, I believe so.

Mr. SANDERS. Do you have any concept of how much, what the proportion was in cash?

Mr. PARR. Very little. Very little. I don't remember just exactly.

Mr. SANDERS. Within the—during that period of time, your office was still in Little Rock?

Mr. PARR. Yes, sir.

Mr. SANDERS. Did you ever have an office in San Antonio?

Mr. PARR. No, sir.

Mr. SANDERS. Did you personally solicit from the employees in Little Rock?

Mr. PARR. We all were soliciting.

Mr. SANDERS. No, I mean for this one.

Mr. PARR. Yes, I mean, I guess that I did.

Mr. SANDERS. How many employees were there in the Little Rock office at that time?

Mr. PARR. When we were working in Little Rock?

Mr. SANDERS. Right. In Little Rock.

Mr. PARR. I guess there were 30 or 40 working out of Little Rock.

Mr. SANDERS. Did you contact all of them personally, or did someone else do it for you?

Mr. PARR. Everybody was working on it. I mean, all of the employees were working on it.

Mr. SANDERS. Do you know what you raised from Little Rock?

Mr. PARR. No, sir.

Mr. SANDERS. Was any file record kept of this collection and who contributed?

Mr. PARR. I do not recall whether there was or not.

Mr. SANDERS. If there was, would it still be in the Little Rock office to the best of your knowledge?

Mr. PARR. Yes.

Mr. SANDERS. You did not take any such file with you?

Mr. PARR. No, sir. Not that I recall.

Mr. Goss, I believe, of the Mills campaign committee would have it.

Mr. SANDERS. To your knowledge, were the employees of AMPI in 1971-72 solicited in a similar manner for any other Presidential candidate?

Mr. PARR. Not to my knowledge.

Mr. SANDERS. When these employees were solicited, were they told the money would go to Mills? Was it clear?

Mr. PARR. To the draft Mills, yes, sir.

Mr. SANDERS. Were rallies or functions for Mills held in States other than Iowa?

Mr. PARR. Not that I recall, Mr. Sanders. There might have been.

Mr. SANDERS. I mean, under the sponsorship of AMPI?

Mr. PARR. No; I do not recall any.

Mr. SANDERS. How long has it been since you have seen Joe Johnson?

Mr. PARR. About 2 weeks.

Mr. SANDERS. Where did you see him?

Mr. PARR. In Little Rock.

Mr. SANDERS. Do you know why he was there?

Mr. PARR. He was on his way to Texas, and I guess he came there to visit his mother, who lives north of Little Rock.

Mr. SANDERS. Does she live in North Little Rock or north of Little Rock?

Mr. PARR. North of Little Rock.

Mr. SANDERS. Do you know what town she lives in?

Mr. PARR. Yes; Cave City. Mr. Johnson comes to Little Rock, I don't know how often. Sometimes I see him, sometimes I do not see him.

Mr. SANDERS. And you are relatively certain that he is working for Harold Nelson at the present time?

Mr. PARR. Yes. I believe the last time I saw him he said he was on his way to see Harold Nelson.

Mr. SANDERS. But you do not know what Shea is doing for a living at the moment?

Mr. PARR. No, sir.

Mr. SANDERS. Other than these items that we have discussed today, do you know of any other AMPI financial support for Mills in the 1971-72 Presidential campaign?

Mr. PARR. Yes.

Mr. SANDERS. What would that be?

Mr. PARR. We had some people go to New Hampshire—I believe it was New Hampshire. I've forgotten what month it was.

Mr. SANDERS. For the primary or just in advance of the primary?

Mr. PARR. Just in advance of the primary. That is all I can recall.

Mr. SANDERS. Did you send them to New Hampshire?

Mr. PARR. Yes.

Mr. SANDERS. How many?

Mr. PARR. I believe a former State senator of Arkansas, Charles George, and his wife. I believe she went. I am not positive about that. I don't know the month.

Mr. SANDERS. Do you know of any others?

Mr. PARR. I cannot think of any.

Mr. SANDERS. Was Mr. George on the AMPI payroll at that time?

Mr. PARR. No, sir.

Mr. SANDERS. Did you pay for his expenses?

Mr. PARR. Yes, sir.

Mr. SANDERS. What kind of expenses?

Mr. PARR. This is travel, lodging, what kind of expenses he had.

Mr. SANDERS. Travel, lodging, meals?

Mr. PARR. Yes.

Mr. SANDERS. Car rental?

Mr. PARR. Yes, sir.

Mr. SANDERS. What was he to do in New Hampshire?

Mr. PARR. Give us his opinion on what he thought about that area.

Mr. SANDERS. Do you mean as to whether Mills was a viable candidate?

Mr. PARR. Yes, sir.

Mr. SANDERS. What his chances were against the others?

Mr. PARR. Just what New Hampshire looked like. Nobody had been to New Hampshire that I knew anything about.

Mr. SANDERS. Did it have a relationship to Mills' candidacy?

Mr. PARR. Yes; to see what it looked like.

Mr. SANDERS. Was he out trying to be of help to Mills' chances there?

Mr. PARR. No; just to survey the area and tell us what it looked like.

Mr. SANDERS. Did the Mills campaign people know that he was there?

Mr. PARR. I do not know whether they did or not.

Yes, there was something else, too. Mr. Holmes also went up there, John Holmes.

Mr. SANDERS. Who is he?

Mr. PARR. He was an employee out of Little Rock.

Mr. HAMILTON. Employee, you said?

Mr. PARR. Yes, who had background in radio and television promotion.

Mr. SANDERS. What was his purpose?

Mr. PARR. To do the same thing.

Mr. SANDERS. Was he to help in the Mills media work?

Mr. PARR. No, just to tell us what it looked like. I may have this wrong, but I believe this is right. It seems like to me that is how it happened.

Mr. SANDERS. Approximately how long were these persons in New Hampshire?

Mr. PARR. Less than 1 week that I recall.

Mr. SANDERS. Did you see their expense vouchers come in?

Mr. PARR. I am sure that I did, but I do not recall what they were.

Mr. SANDERS. Did they submit any written reports?

Mr. PARR. Yes, I believe they brought back—it has been quite a while, but I believe they brought back information telling us about the State and what kind of people were there. But as I recall, a lot of New Hampshire people were similar to Arkansas people in their heritages and backgrounds.

Mr. SANDERS. Were you interested in New Hampshire to see if you might obtain members for your organization there?

Mr. PARR. No, sir.

Mr. SANDERS. Principally to see if Mills was a——

Mr. PARR. Just to see what the political climate was in New Hampshire.

Mr. SANDERS. Did you say you think they did reduce their findings to a memo or letter or a report?

Mr. PARR. I think Mr. Holmes did. I probably talked to Mr. George in person. Mr. Holmes, I am sure, gave me information.

Mr. SANDERS. Would these probably be in files in Little Rock, or would they be in San Antonio?

Mr. PARR. I have no idea.

Mr. SANDERS. Did you take these with you when you left?

Mr. PARR. No, sir.

Mr. SANDERS. Did Johnson, Shea, and Clements ever submit any written status reports to you?

Mr. PARR. That was right at the tail end of my—I just don't remember. There was not much going on. Nobody knew really what Mills was up to. I still don't know.

Mr. SANDERS. All right.

Now, have we covered it? Is New Hampshire the last of it that you can recall?

Mr. PARR. That is all I can remember, Mr. Sanders.

Mr. SANDERS. Thank you.

Mr. HAMILTON. I want to go back a little.

On these contributions, what was the pitch you made to them?

Mr. PARR. I don't know what pitch each individual made. I know the idea was, Mills had been a friend of dairy farmers for a long time, and this was really our first real opportunity to show any appreciation to Mills, and that was it in a nutshell.

Mr. HAMILTON. Was there any arm-twisting?

Mr. PARR. I have heard there was, since it's all over with. But I had not heard at the time that there was.

Mr. HAMILTON. What kind of arm-twisting did you hear there was?

Mr. PARR. When the shakeup occurred, I heard that people were told they had to do it. And I did not know anything about——

Mr. HAMILTON. Told they had to do it or what? They would lose their job?

Mr. PARR. No, I wouldn't think so. No instructions like that were given to anyone that I know of.

Mr. HAMILTON. What was the sanction if they didn't do it?

Mr. PARR. I don't know that either. I just heard a rumor.

Mr. HAMILTON. Who was making the ultimatums?

Mr. PARR. I don't know anyone who made an ultimatum.

Mr. HAMILTON. Who was saying you had to do it?

Mr. PARR. I don't know of anybody who was.

Mr. HAMILTON. Now, who have you heard was making—

Mr. PARR. I don't know specifically. It was just gossip as far as I know.

Mr. HAMILTON. What names have come up in gossip?

Mr. PARR. I don't recall any names. I never heard—

Mr. HAMILTON. My next question is, who was making the complaints of being pressured?

Mr. PARR. I don't know either. I just heard a rumor.

Mr. HAMILTON. With no specifics as to who was doing the pressure and who was being pressured?

Mr. PARR. No, sir.

Mr. HAMILTON. Or what the results would have been if they did not contribute?

Mr. PARR. No, sir.

Mr. HAMILTON. No specifics at all?

Mr. PARR. No, sir.

Mr. HAMILTON. Who did you hear the rumor from?

Mr. PARR. I don't even recall that.

Mr. HAMILTON. When did you hear the rumor?

Mr. PARR. After January.

Mr. HAMILTON. After you left?

Mr. PARR. Yes.

Mr. HAMILTON. Who did you talk to from AMPI after you left?

Mr. PARR. I do not recall. I really don't. There were all kinds of rumors after that.

Mr. HAMILTON. Do you know of anyone complaining to the special prosecution force about these pressures?

Mr. PARR. Not to my knowledge.

Mr. HAMILTON. Well, let me ask you about this Ames rally. Who paid for this rally?

Mr. PARR. AMPI, Mid-America Dairymen, Dairymen Inc., the local co-ops, and Farmland Industries, I believe Philco, a lot of cooperatives up in that area that operated in Iowa.

Mr. HAMILTON. What was the total cost on that?

Mr. PARR. I believe I have heard the figure of \$50,000, \$60,000. I don't recall the exact figure, Mr. Hamilton.

Mr. HAMILTON. Do you know how much of that figure AMPI paid?

Mr. PARR. No, sir. I don't.

Mr. HAMILTON. Who handled the payment?

Mr. PARR. I can tell you someone who might be able to help you with that. Mr. Townsend could help you with what that was.

Mr. HAMILTON. Was he the one in charge of making the payments?

Mr. PARR. He was involved in working out the—I believe, or Mr. Johnson, one of the two. I don't know whether I have ever seen any figures as to what the total cost was or not.

Mr. Hamilton. I think you said you did not attend the rally?

Mr. PARR. No, sir.

Mr. HAMILTON. Who in the AMPI hierarchy did attend?

Mr. PARR. I believe a lot of the board members did, and Mr. Gregg, and probably Mr. Hansen. Maybe Mr. Butterbrodt. I do not know whether he attended or not. A lot of the board members.

Mr. HAMILTON. What about Mr. Johnson?

Mr. PARR. Yes, sir. He was there.

Mr. HAMILTON. What about Mr. Townsend?

Mr. PARR. I believe so.

Mr. HAMILTON. What about Mr. Nelson?

Mr. PARR. I don't know whether Mr. Nelson did or not.

Mr. HAMILTON. Did you talk to somebody afterward about the rally?

Mr. PARR. Yes. I was in Madison, Wis., that night after that rally in Ames. That was on a Saturday, and I saw numerous people who had been in the rally in Ames and Madison.

Mr. HAMILTON. What were you doing in Madison?

Mr. PARR. For the World Dairy Expo.

Mr. HAMILTON. Was the rally described to you by the people that you saw?

Mr. PARR. Yes.

Mr. HAMILTON. Did they tell you what happened?

Mr. PARR. Yes.

Mr. HAMILTON. Had they told you Mills was the principal speaker?

Mr. PARR. Yes, Mills was the principal speaker.

Mr. HAMILTON. Were there any signs around, Mills for President, banners of that sort?

Mr. PARR. I don't recall whether there was or not. I don't think there was.

Mr. HAMILTON. Would it be unfair to say that the rally was a Mills-for-President rally?

Mr. PARR. I can honestly say, yes, sir. It would be unfair to say that.

Mr. HAMILTON. It would be unfair?

Mr. PARR. Yes, sir. In my opinion.

Mr. HAMILTON. Even though one of your purposes, along with the other ones that you listed, was to promote Mills' candidacy?

I think you said that.

Mr. PARR. His prominence, I believe, is the way you described it.

Mills has been a friend of ours for a long time, and he was a very knowledgeable person about factors affecting agriculture, and there might have been something wrong with it. But I didn't know it at the time.

Mr. HAMILTON. Besides what you have told us, do you know if AMPI paid for any other rallies or any other services given to or paid for to Mills?

Mr. PARR. Not that I can recall. But if you've got something, I don't mind owning up to it.

Mr. HAMILTON. I am asking you a general question. We have talked about a number of things. We have talked about the people in Washington. We have talked about the people in New Hampshire. I understand this morning there were some other contributions to Mills that you went into, which I don't want to go into now.

Any other services, goods or services, paid for by AMPI for the Mills organization?

Mr. PARR. I am sure that Mills has ridden on the AMPI plane. I don't know how many times.

Mr. HAMILTON. On campaign trips?

Mr. PARR. See, when he became a candidate I was not there. I know he went to the meeting in Iowa on the AMPI plane, and he was also a principal speaker at Madison.

Mr. HAMILTON. Madison was right after?

Mr. PARR. The same day.

Mr. HAMILTON. And he went up there on the AMPI plane?

Mr. PARR. Yes, sir. I believe that is right.

Mr. HAMILTON. But the Madison rally, you said, was——

Mr. PARR. They were held on the same day.

Mr. HAMILTON. But the Madison function was what?

Mr. PARR. It was dairy farmers and staffs of various dairy co-operatives.

Mr. HAMILTON. It was not a campaign rally?

Mr. PARR. No.

Mr. HAMILTON. It was a dairyman's meeting for business purposes, not political purposes?

Mr. PARR. Well, it was a banquet for the Dairy World Expo.

Mr. HAMILTON. Now, on the matters that you have testified about today that the Valentine, Sherman matter, the payment of those legal fees to Chestnut, the various Mills matters, I take it that at least in some of these matters in the Valentine, Sherman, or the Mills area that you have testified to the grand jury?

Mr. PARR. Not in this detail.

Mr. HAMILTON. Well, that was my next question. The answer is, "Yes," you have testified?

Mr. PARR. Yes, I have testified.

Mr. HAMILTON. My question is, did you give them any information you have not given us?

Mr. PARR. No, I think you got far more information because you've got more things to talk about, apparently, I believe that is true.

Mr. HAMILTON. Are there any other facts regarding Valentine, Sherman, or the Mills contribution, or these legal fees that were paid through Connell or Chestnut that you can remember now that you would like to tell us?

Mr. PARR. If there was, I'd sure like to tell you. I want to get all out that I can think of. I want you to know everything I know.

Mr. HAMILTON. OK.

Mr. PARR. If I left out anything, it was not intentional.

Mr. HAMILTON. All right. Let's go off the record.

[Discussion off the record.]

Mr. SANDERS. With reference to Semer reporting that Kalmbach wanted \$100,000 in cash, do you know who asked Semer to contact Kalmbach?

Mr. PARR. No, sir. Out of a discussion, I guess, that we had.

Mr. SANDERS. Do you think you were party to it?

Mr. PARR. Yes.

Mr. SANDERS. With what other persons?

Mr. PARR. Mr. Nelson.

Mr. SANDERS. Just the two of you?

Mr. PARR. The only people I remember was Mr. Jacobsen, Mr. Semer, Mr. Nelson, and myself.

Mr. SANDERS. Did you ever learn what Kalmbach did with the \$100,000?

Mr. PARR. No, sir.

Mr. SANDERS. Did you have any thought at the time that the \$100,000 would be used for the 1972 reelection?

Mr. PARR. I don't guess I had any thought as to what it would be.

Mr. SANDERS. Did you think as well that it might have been used for expenses of the 1968 campaign?

Mr. PARR. I just did not have any knowledge, Mr. Sanders.

Mr. SANDERS. Now when questioned by Mr. Weitz, either last night or this morning, you described the payment to Kalmbach as being made for the purpose of getting the attention of the people in the White House, becoming known and having some contacts established.

Would that be a fair generalized characterization of it?

Mr. PARR. I think so.

Mr. SANDERS. What I am getting at is, somewhere around that time, then, you said something to this effect, that you thought that it was unusual to have to make some payment in order to be known at the White House.

Mr. PARR. I had never participated in anything like that.

Mr. SANDERS. You see, I am at an unfair advantage here.

You can answer this question any way you want, but my question has to be in fact, your organization had made contributions to Senator Humphrey during the previous administration, had you not?

Mr. GIBSON. Could we go off the record for a minute?

Mr. SANDERS. Yes.

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Mr. PARR. On the advice of counsel, I refuse to answer.

Mr. SANDERS. On what grounds?

Mr. PARR. The fifth amendment.

Mr. SANDERS. I believe you said it was on the occasion of your second meeting with Gleason that he requested \$5,000 cash, and I do not believe that you went on to say—well, tell us about your first meeting with Gleason. If you did, I have forgotten.

Mr. PARR. I do not want to be unfair to anybody. It just seems like that I—it was very shortly after I met him, and the second meeting—I would not be held to that, because I do not recall. But it seems like the second meeting.

Mr. SANDERS. Does the first meeting stand out in your mind?

Mr. PARR. No, sir.

Mr. SANDERS. Now that you have had some benefit of questions and answers in refreshing your memory, and you have been down to the grand jury for some time, can you just give a very short quick summary of your meetings with Colson—first, second, third—you said there were three or four?

Could you tell about each one of them, and tell very briefly who was there and what the purpose was?

Mr. PARR. In a nutshell, the whole purpose any time of going to the White House is to get the attention of the administration about the problems that we were having.

Mr. SANDERS. And then the question would be, did there come a time when the purpose of one of those meetings was to express some commitment of AMPI to financial support, in return for some solutions to your problems?

And that is why I ask you, could you run through the Colson meetings?

Mr. PARR. I do not ever recall dovetailing them like you described there. The problem in political matters, like these, is that sometimes the people that you are dealing with at one time are talking about political matters, and the next time they are talking about support or inferring support or implying support, or vice versa. And I do not know how you would characterize it any other way than I just said.

Mr. SANDERS. At some point in time, did you make some representation that AMPI or perhaps all of the dairy co-ops would be able to provide \$1 or \$2 million or even more to the reelection of the President?

Mr. PARR. There was discussion, Mr. Sanders, that I have testified about, \$1 million, \$2 million, and our TAPE program and—

Mr. SANDERS. Yes, but as I recall your previous testimony, you put it in the context of a discussion of this, and really my question is, did you ever make such representation?

Mr. PARR. I do not recall anything specifically. No, sir.

Mr. SANDERS. Did you ever say that dairy people could give more than labor organizations?

Mr. PARR. I would have loved to have said that.

Mr. SANDERS. Do you think you might have?

Mr. PARR. I don't know.

Mr. SANDERS. Well, what I wanted to ask you is, when do you think you might first have said something to that effect. But I suppose your answer is that you do not recall that you ever really said it?

Mr. PARR. Well, I want to be fair with everybody, and if I could shed any light on it I would sure try to do it.

Mr. SANDERS. Please try to understand. I am not asking you if you promised that to the administration or the reelection, or that you promised to give that in return for a certain favor. I am just asking if you made a general statement that this much money would be available.

Mr. PARR. I just remember a discussion of about a million dollars, and then somebody said \$2 million, and that's the—

Mr. SANDERS. Would the first time that that occurred have been in Colson's office?

Mr. PARR. Do you mean discussions of that type or nature?

Mr. SANDERS. Yes.

Mr. PARR. I just don't know.

Mr. SANDERS. Can you recall who participated in such a discussion?

Mr. PARR. No, sir; I do not.

Mr. GIBSON. Can we go off the record just a second and take a break?

[Discussion off the record.]

Mr. SANDERS. Back on the record.

Mr. PARR. In relation to this \$1 and \$2 million, I recall that it was said, discussed, and as I recall, it was sort of in a jesting manner. That is the best recollection I can have.

I have testified that one was mentioned, and then I believe Mr. Colson said, this is a \$2 million package, or some words like that.

Mr. SANDERS. The obvious implication of your answer is that it occurred in Colson's office?

Mr. PARR. Yes, sir.

Mr. SANDERS. What I was wondering is, is this the first time, to your recollection, that contributions of that magnitude had been discussed in your presence?

Mr. PARR. We were constantly discussing what we expected to receive from dairy farmers, and we were constantly reviewing what—

Mr. SANDERS. Yes, but this is in the context of to be given to the Nixon administration, or the reelection.

Mr. PARR. I do not recall specifically that that was the first time that I had ever heard that or did not hear that.

Mr. SANDERS. When Colson said, "this is a \$2 million package," what was the response?

Mr. PARR. I do not recall any response, other than "maybe, whatever you say," or—I don't recall any words like that. I mean, it was just a—just like we are talking here right now.

Mr. SANDERS. Did you regard his remark as being in jest?

Mr. PARR. I thought so.

Mr. SANDERS. Was he laughing or smiling when he said it?

Mr. PARR. Yes, he was smiling.

Mr. SANDERS. As it turned out, the dairy industry did give a very, very substantial amount of money.

Mr. PARR. Yes.

Mr. SANDERS. I do not know that it came to \$2 million, but it was getting pretty close to it.

Mr. PARR. No; I don't know what the figure was.

Mr. SANDERS. I am not talking about TAPE necessarily.

Mr. PARR. I do not know.

Mr. SANDERS. So you are saying that you did not really take his representation seriously?

Mr. PARR. [Nods in the negative.]

Mr. SANDERS. What level of contribution did you regard with seriousness?

Mr. PARR. I do not know. I mean, I think that, as the best I recall, we were going to make substantial contributions to Republicans and that was just about the gist of it.

Mr. SANDERS. To your knowledge—I believe you said \$5,000 was given to Congressman Belcher, is that true?

Mr. PARR. I believe that is true. I believe it was \$10,000, Mr. Sanders.

Mr. SANDERS. \$10,000 cash?

Mr. PARR. I think it was \$5,000 one time, and \$5,000 another.

Mr. SANDERS. Do you know the source of that money?

Mr. PARR. I gave testimony to that.

Mr. SANDERS. I was just trying to find it here. Mr. Russell?

Mr. PARR. I believe that I said that Mr. Townsend called me and they were in Oklahoma.

Mr. SANDERS. And you referred him to Russell?

Mr. PARR. Yes, sir.

Mr. SANDERS. Did Townsend or anyone else ever tell you that in fact they had gotten it from Russell?

Mr. PARR. I suppose they did, but—

Mr. SANDERS. To your knowledge, do those contributions to Belcher have anything to do with the Presidential campaign in 1972?

Mr. PARR. To Belcher?

Mr. SANDERS. Yes.

Mr. PARR. No, sir. This was——

Mr. SANDERS. I realize it was for his congressional campaign. But I am asking you, is there any conceivable connection with the 1972 reelection effort?

Mr. PARR. Not that I know of. This was in 1970, I believe, wasn't it?

Mr. SANDERS. I understand. You know of no connection?

Mr. PARR. Between Belcher and the reelection?

Mr. SANDERS. It wasn't part of a larger obligation to the Republican Party or the Republican campaign?

Mr. PARR. Not that I know of. It was just my understanding Mr. Belcher asked for cash. That's all I knew.

Mr. SANDERS. Did it have any relationship to the milk price support decision which you were expecting in a few months?

Mr. PARR. This was in 1970.

Mr. SANDERS. I realize that. The milk price decision was in March 1971.

Mr. PARR. Excuse me. I see what you are talking about now. No, sir. No, sir.

Mr. SANDERS. I really wish you could be of a little more help with regard to the \$5,000 that you got from Jacobsen in Austin.

I realize that you had some dealings in large sums of cash now and then, but it was not occurring every day or every week or even every month, I presume, and that is a substantial sum of money. You received it from him in an envelope. If you can recall being in the airport with him, surely you can remember where you went from there?

Mr. PARR. I have just got those two items confused. I don't know where it was.

Mr. SANDERS. Do you suppose you took that to the vault, and you had two \$5,000 payments that went to Mills, for a total of \$10,000?

Mr. PARR. Mr. Sanders, I honestly do not know. If I can find some information about that, I will be glad to tell you about it.

Mr. SANDERS. Well, it really would appear that you might be the best source.

Mr. PARR. Yes, sir. I guess I would be. But I will really try to recall that. I am not trying to escape anything.

Mr. SANDERS. Certainly. I have the impression you would agree that you want to get everything told that you can remember while you are here and get it over with?

Mr. PARR. Yes, sir. Very definitely.

Mr. SANDERS. I also want to make sure that there is no question about that, the one \$5,000 payment which Townsend did take, which you do recall he took to Washington—whatever one it was, the one he did take was not sent because of any request from anyone working in Mills' office on Mills' campaign?

Mr. PARR. Definitely not.

Mr. SANDERS. When you sent that contribution, did you enclose a note or advice as to the source of the money?

Mr. PARR. I do not recall.

Mr. SANDERS. Now you did when you sent the employee solicitations.

Mr. PARR. Yes, but on this one I do not recall. I just do not recall how I did do that.

Mr. SANDERS. Do you have any recollection of asking Jacobsen for the money which he handed you in Austin?

Mr. PARR. No. To the best of my recollection, I called Mr. Nelson. If I knew the time, maybe that would be of help. But I will come up with it.

Mr. SANDERS. And if Nelson and Jacobsen say that it was their understanding that the money was to go to Mills, would you dispute that?

Mr. PARR. No, sir.

Mr. SANDERS. TAPE contributed \$192,000 to the Nixon reelection effort by direct contributions. A total of the three dairy trusts contributed a total of \$343,000.

Were you a party to any discussions or conferences wherein that level of giving was decided upon?

Mr. PARR. Well, I testified that whatever date that was we went to Louisville, that discussion was had. Just where the discussion was had about the reelection of the President, I was there. I am talking about as far as those committees are concerned.

Mr. SANDERS. Dairy political action organizations contributed \$55,000 to Congressman Mills.

Were you a party to any discussions or conferences wherein that level of giving was decided upon?

Mr. WEITZ. Before the witness answers, what period are you talking about?

Mr. SANDERS. This is January 1969 to January 1973.

Mr. PARR. I played a fairly minor role in the actual giving of those funds, because in 1972 I took a different role.

Mr. SANDERS. Would you explain that? Do you mean with DI?

Mr. PARR. Yes, sir.

Mr. SANDERS. Are you saying that you had more involvement in the allocation of funds to Presidential candidates or less? I do not understand.

Mr. PARR. Well, when I changed jobs I just left the matters of political involvement.

Mr. SANDERS. Over the same period the trusts gave \$29,000 to Humphrey. I ask you the same question, if you had any involvement in a decision in advance to give that much?

Mr. PARR. I was not even sure of what they gave Humphrey.

Mr. SANDERS. Do you recall being involved in any conference where it was discussed, where the level of giving to Humphrey was discussed?

Mr. PARR. When you talk about the dairy trusts—

Mr. SANDERS. I am talking about TAPE, ADEPT, and SPACE.

Mr. PARR. I have had no discussions with the AMPI people as far as—

Mr. SANDERS. I mean while you were with AMPI. I am talking about the period 1969 through 1972.

Mr. PARR. When was the \$29,000 delivered?

Mr. SANDERS. During the period 1969 through 1972.

Mr. PARR. I know, but was it in 1969 or 1972 or what? I'm not trying to be hard. I just don't know.

Mr. SANDERS. \$5,000 to Humphrey, December 1971; \$1,000, April 1972; CTAPE, April 1972.

Mr. PARR. I wouldn't have anything to do with that.

Mr. SANDERS. \$1,000; \$4,000, May 1972; \$2,500, August 1972.

Mr. PARR. No, sir. I didn't know anything about that.

Mr. SANDERS. You would have had no influence over giving by ADEPT to Humphrey?

Mr. PARR. I don't even know what they gave.

Mr. SANDERS. They gave a total of nearly \$7,000.

Mr. PARR. I might have heard about it, but I didn't have anything to do with it.

Mr. SANDERS. SPACE gave Humphrey almost \$8,500.

Mr. PARR. I did not know about that. I did not play a major role in that, as I recall.

Mr. SANDERS. I was not clear from previous questions and answers whether that school milk program was reelected for the school year beginning in September 1970 promptly after your meeting with the President.

Mr. PARR. Before.

Mr. SANDERS. It was before?

Mr. PARR. Yes, sir. It was done at the announcement of the funding.

Mr. SANDERS. At the convention?

Mr. PARR. Yes, sir. I might add just for the record so that you are clear on it, that the school milk program has been a controversial item for 4 or 5 years, not only during Nixon's time, but Johnson's time, too. They all for some reason—I do not know what their psychology is in the various administrations, but for some reason they always are going to cut it down or eliminate it or—and then the schoolchildren, the school administrators, the farmers and everybody gets back and says, "No, you ain't going to do this." I never have understood this, but I know it's been going on for 5 or 6 years. Even this last year, I understand, there was one.

Mr. SANDERS. To your knowledge, was the reimplementing of the school milk program in the fall of 1970, the result of any commitment by AMPI to make any contributions to the reelection of the President?

Mr. PARR. No, sir.

Mr. SANDERS. Did you ever state to anyone in the White House or in the reelection campaign of the President, that AMPI or the other dairy co-ops would contribute a certain amount of money to the President's reelection, if the milk price-support level was raised in March 1971?

Mr. PARR. No, sir.

Mr. SANDERS. You never made any such representations?

Mr. PARR. No, sir.

Mr. SANDERS. To your knowledge, did Mr. Nelson?

Mr. PARR. No; not to my knowledge.

Mr. SANDERS. To your knowledge, did any other responsible official in AMPI?

Mr. PARR. No, sir.

Mr. SANDERS. Or any of the other dairy co-ops?

Mr. PARR. No, sir. Not that I know of.

Mr. SANDERS. No doubt you have some appreciation for the fact that substantial contributions followed in 1971 and 1972 to the Nixon reelection, and an observer might feel from the fact that those heavy contributions were made that there is some relationship between those two events.

If those latter contributions were not made as a result of a commitment to make them in return for an increase in the support, why in fact were they made?

Mr. PARR. As I have testified, we were going to make substantial contributions, and we made them.

Mr. SANDERS. In other words, it was something to the effect that you have said before, that you support persons who have helped you? It is not a matter of a commitment in advance, but it is a matter of being willing to help those who have helped you?

Mr. PARR. That's the way that I always was taught.

Mr. SANDERS. Many Congressmen and Senators supported the legislation to increase the milk supports in March of 1971.

Mr. PARR. Yes.

Mr. SANDERS. Many of those Congressmen received substantial contributions from AMPI, ADEPT, and SPACE between then and their congressional race in November of 1972.

Mr. PARR. If you have the record, I am sure it is——

Mr. SANDERS. Yes, I am just stating that. I want to make sure that you understand what I am talking about.

The records from those organizations show that \$310,000 was contributed between 1969 and 1972, including 1972, to the Democratic Congressmen who supported the milk legislation, a total of \$310,000. Is this again just an example of support for those who have helped you, as opposed to any commitments to help them if they would introduce legislation on your behalf?

Mr. PARR. I don't know of any funds that were contributed on the basis that someone would introduce a bill or not introduce a bill.

Mr. SANDERS. During the time you were lobbying, so to speak, in March 1971, did you promise to make any financial contributions to any Congressmen in return for their introduction of legislation or support of legislation?

Mr. PARR. Not that I recall.

Mr. SANDERS. Did Mr. Nelson?

Mr. PARR. Not that I recall.

Mr. SANDERS. Did any other responsible person in AMPI?

Mr. PARR. Not that I know of.

Mr. SANDERS. Or in any of the other dairy co-ops?

Mr. PARR. Not that I know of.

Mr. SANDERS. I want to refer to the \$10,000 TAPE contribution for dinner tickets on March 22. Actually, the dinner was on the 24th, 1971. You were opposed, I suppose, until near the very end to making a contribution?

Mr. PARR. We ought to go to the dinner. Just to go to the dinner.

Mr. SANDERS. Just to go to the dinner?

Mr. PARR. [Nods in the affirmative.]

Mr. SANDERS. Would it be reasonable, then, to say that it had to be Nelson who made a reversal of the policy?

Mr. PARR. Well, I went to the dinner.

Mr. SANDERS. There is no one else in AMPI that could have made a decision to the contrary besides Mr. Nelson, was there?

Mr. PARR. I had no open mind on anything. I just did not like it.

Mr. SANDERS. But all of a sudden, at one point in time, you find out that AMPI was going to buy the tickets?

Mr. PARR. We had probably already agreed long before to go to the dinner, you see. I mean, that would have been logical.

Mr. SANDERS. I understand. Do you have any recollection of a poll, which Ted van Dyk handled in West Virginia?

Mr. PARR. West Virginia?

Mr. SANDERS. Yes, you mentioned one someplace else, but I do not think you made mention of West Virginia.

Mr. PARR. He could have made one; I just do not know.

Mr. SANDERS. Do you have any recollection of a poll that was conducted to assess the chances of Robert Kennedy?

Mr. PARR. Robert Kennedy?

Mr. DORSEN. When was this?

Mr. SANDERS. I am sorry; Ted Kennedy.

Mr. PARR. Yes. If you have information about it, I have had so many—I am so tired, I do not know. If you have got some information, I will verify it.

Mr. SANDERS. I would rather just have your own recollection on it.

Mr. PARR. Do you have any idea what year, if there was?

Mr. SANDERS. It was 1970 or 1971.

Mr. PARR. I recall that Mr. van Dyk made a poll for us, it seems to me, somewhere in the Northeast States; also one in South Dakota, it seems, and maybe one in Arkansas. But I do not—

Mr. SANDERS. The one you mentioned in South Dakota was for Abourezk?

Mr. PARR. I believe that is right.

Mr. SANDERS. The one in Arkansas had some aspects in it for Mills. Is that true?

Mr. PARR. I do not know what that was. My mind is not—I know there were some polls made.

Mr. SANDERS. Do you know of any poll conducted under the auspices of van Dyk which had as its primary thrust the candidacy of Ted Kennedy?

Mr. PARR. There might have been one, but I do not recall, Mr. Sanders.

Mr. SANDERS. When you initiated this program to make solicitations of AMPI employees for Mills, did you get the ball rolling by calling some of your top people in and conferring with them about it?

Mr. PARR. As I recall, Mr. Nelson and I discussed it, and then the next step was to call directors, and then the next step was—I know I was on the phone all of one afternoon talking to directors all over the South about it. And then the next step was division managers, and people like that.

Mr. SANDERS. Within your own Little Rock office, did you call in top people and explain to them what you had in mind?

Mr. PARR. I am sure that we did.

Mr. SANDERS. That is all.

Mr. DORSEN. I would just like to ask you a few questions about one thing that was raised, if I may; and that relates to the statement, I believe you made, that you thought that Mr. Colson may have been saying in jest that it was a \$2 million package.

Mr. PARR. Yes, sir.

Mr. DORSEN. Can you describe, as best as you can, the setting for that statement; in what context it was made, when it was made, where it was made?

Mr. PARR. I wish I knew the date even.

Mr. DORSEN. Do you recall what was said immediately prior to his saying he thought it should be a \$2 million package?

Mr. PARR. The best I can recall is that we were constantly talking about the numerous problems that dairy farmers were having, and that is all that I can recall about it.

Mr. DORSEN. Is there anything else you can point to, other than the fact that Mr. Colson was smiling as you recall it, that would lead you to believe that he was not making that statement seriously?

Mr. PARR. No, sir. I cannot think of anything.

Mr. DORSEN. Without reviewing a lot of the other material that has been covered, I assume you are now familiar with the letter from Pat Hillings to the President, dated December 16, 1970, which also refers to a \$2 million commitment. Are you familiar with that?

Mr. PARR. I have seen that letter, yes.

Mr. DORSEN. Do you have any reason to believe that Mr. Hillings may have been jesting to the President about that?

Mr. PARR. I just do not know the genesis of Mr. Hillings' writing the letter. I do not remember seeing or getting a copy of that letter. I know that we had talked about making substantial contributions.

Mr. DORSEN. I believe there is some evidence with which you are familiar that the figure, among other figures, \$2 million came up in a meeting in November 1970. Do you recall with any definiteness whether you were at such a meeting?

Mr. PARR. What are you talking about?

Mr. DORSEN. In 1970, there was a meeting that apparently included Mr. Colson, Mr. Evans, Mr. Harrison, Mr. Hillings, Mr. Kalmbach and Mr. Nelson, at which commitments to the President's 1972 campaign were discussed.

Mr. PARR. I cannot recall the first time I met Mr. Evans. It is my recollection that the first time I ever met Mr. Evans was in 1971. I am just not sure about that.

Mr. DORSEN. So according to your best recollection, you were not at this meeting?

Mr. PARR. I do not know—

Mr. DORSEN. If there was such a meeting in November of 1970?

Mr. PARR. My best recollection is that I met Mr. Evans in 1971.

Mr. WEITZ. Did you meet Mr. Evans with Mr. Nelson also present?

Mr. PARR. Yes.

Mr. WEITZ. Did you meet Mr. Evans only once?

Mr. PARR. I am trying to recall. I do not know how he showed up on the scene. I would not know Mr. Evans today if I saw him hardly, I do not think.

Mr. WEITZ. Do you think you met him more than once?

Mr. PARR. I do not know.

Mr. WEITZ. Were you in a meeting more than once with him?

Mr. PARR. The only time I remember being with Mr. Evans was the one I described to you, and that was at the Madison Hotel.

Mr. WEITZ. With Mr. Nelson present?

Mr. PARR. Yes.

Mr. WEITZ. Who else do you recall?

Mr. PARR. I believe Mr. Hillings, and I believe Mr. Harrison.

Mr. DORSEN. Let me ask you this. Do you recall at the meeting which you have just described, the one with Mr. Evans and these other gentlemen, whenever it occurred, whether any particular sum was discussed?

Mr. PARR. As I recall the discussion, it was about setting up committees.

Mr. DORSEN. The discussion was in terms of committees, as you recall; rather than in terms of specific sums?

Mr. PARR. I believe that is correct, yes.

Mr. DORSEN. So if there were specific sums discussed, you either could not hear it, or you cannot recall it; is that correct?

Mr. PARR. That is correct.

Mr. DORSEN. I have no further questions.

Mr. WEITZ. I believe earlier today that we discussed the period of March 23 and 24, 1971, between the meeting with the President and the announcement of the increase in milk price supports; and your recollection is there is a trip to Louisville during that period to discuss contributions, and there was some time when Mr. Nelson was away from you and then came back and said that he was fairly certain that there was going to be an increase in milk price supports. Is that correct?

Mr. PARR. Yes, sir. He was optimistic; yes, sir.

Mr. WEITZ. And I believe you also said there were discussions during that period, as well as at other times, about contributions, large contributions, substantial contributions for the President?

Mr. PARR. I do not remember when we started talking about making substantial contributions, Mr. Weitz, or when we ended.

Mr. WEITZ. Let me ask you this; had substantial contributions been made to the President that you are aware of before the meeting with the President on the 23d?

Mr. PARR. No, sir; not that I recall.

Mr. WEITZ. And in the period from the 23d to the 25th, as you have testified, there were discussions—perhaps not the first—but there were discussions of a substantial contribution, including during that trip to Louisville late at night on the 23d. Is that correct?

Mr. PARR. Yes.

Mr. WEITZ. Do you know how soon after those discussions that an attempt—that committee names were provided to TAPE, and the first contributions were made?

Mr. PARR. If you have got something to refresh my memory—no, sir. I do not—

Mr. WEITZ. You indicated that at a meeting in Louisville, there was a discussion with some urgency with respect to making the contributions, or at least deciding to make contributions. Is that correct?

Mr. PARR. Yes. It had to be some urgency or we would not have gone to Louisville.

Mr. WEITZ. Yes. Right, and there was also some urgency with respect to discussions of a loan to ADEPT by either TAPE or SPACE?

Mr. PARR. Yes.

Mr. WEITZ. Do you know whether there were any representations made during that period—March 23, 24, 25—about the making or the intention to make substantial contributions, representations to Republican fundraisers, or representatives of the administration?

Mr. PARR. No, sir. I do not recall that.

Mr. WEITZ. Do you recall whether, within about 1 week of the increase on the 25th, any committee names were received; and within a month's time, any attempt was made to make contributions for the President?

Mr. PARR. I just do not remember that time period.

Mr. WEITZ. Let me ask you this; after the discussions on the 23d and the 24th, and after you left Washington following the increase, were you a party to any discussions concerning contributions?

Mr. PARR. Yes.

Mr. WEITZ. Do you recall how soon thereafter?

Mr. PARR. No, sir.

Mr. WEITZ. I mean the next month or was it several months later?

Mr. PARR. I just do not remember. I am sure the record will reveal when the contributions were made, but there were discussions, that is when I thought I remembered meeting Mr. Hillings.

Mr. WEITZ. Sometimes shortly after the price-support increase?

Mr. PARR. Sometime in the spring or summer of 1971, as I recall.

Mr. WEITZ. Do you recall what was discussed in this meeting with Mr. Evans?

Mr. PARR. Getting these committees set up.

Mr. WEITZ. Your recollection was they were not set up at that time, and the meeting with Mr. Evans was to get the committees, get the names of committees?

Mr. PARR. There was discussions about the committees. There was quite a furor over the committees. I do not know what it was.

Mr. WEITZ. This is the meeting you have described with Mr. Hillings, Mr. Harrison, and Mr. Nelson in the Madison Hotel.

Mr. SANDERS. Could we go off the record?

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Are you aware of any checks that were drawn by TAPE in the month of April 1971, to Republican committees which were voided and the contributions not made at that time?

Mr. PARR. No, sir.

Mr. WEITZ. Now, it is a matter of public record that contributions began to the numerous committees provided to TAPE in July of 1971. Are you aware of any reason, if there was an urgency in March to make contributions; are you aware of any reason for the delay from March to July before contributions were made?

Mr. PARR. No, sir. I am not.

Mr. WEITZ. Did it have anything to do with the availability of committees, that you know of?

Mr. PARR. No, sir; not that I know of.

Mr. WEITZ. Did you talk to Mr. Nelson about this in the intervening months?

Mr. PARR. About what?

Mr. WEITZ. About contributions to the President. After all, you had attended a number of meetings with him, and with the President, and had spent a lot of time in Washington working very hard with the price supports. You were in favor of legislation. You did not want to go to the Republican dinner, but you went. There was an administrative reversal, and subsequently, large contributions were made to the President's reelection.

Your area was politics. You had lived and worked hard in that for a number of years. Did you not get involved somehow, if not by signing the checks, which was not your responsibility, at least being

informed of what was going on and why some of the things that were going on were going on?

Mr. PARR. Can you be more specific?

Mr. WEITZ. I have asked you about the contributions. Three months elapsed since the time of these discussions, these flights around the country, these mysterious meetings that Mr. Nelson would not tell you about, an effort to get the reversal of legislation and so forth; suddenly, there is a reversal. You go home. A couple of months later, there are large contributions, and you knew nothing about them? You do not ask about them? You do not insist on being told what is happening? Whether you are contributing to a friend or not?

Mr. PARR. I do not know anything about the thing you are talking about in April.

Mr. WEITZ. What about July? Contributions were made in July, I believe the record shows. Did you know who provided the committees, or why these contributions were made at that time in those amounts?

Mr. PARR. No. There were lists—I know one time Mr.—we had some lists sent to—one batch of those lists were sent to me, and I sent them to Mr. Nelson.

Mr. WEITZ. Why were they sent to you?

Mr. PARR. I do not recall.

Mr. WEITZ. I have the letters, and we will get to that in a minute. Let me ask you one other question.

We were talking before about commitments, whether or not they were commitments, or whether such discussions were made in jest or not. In a letter, dated July 16, 1971, from Marion Harrison to Harold Nelson, which is exhibit 3* to Mr. Harrison's executive session, the last sentence refers to the difficulty of honoring a commitment, and the letter appears to be a cover letter for the transmittal of the names of committees to TAPE.

Do you know anything about those committees or that commitment?

Mr. PARR. Apparently this was—as I told you, there was some furor over the committees, and I do not know what that was—the cause of it. And apparently, Mr. Harrison has got the—I do not know whether I have ever seen this letter or not.

Mr. WEITZ. I am asking you not to identify the letter for us so much as to explain if you know anything about the commitment that is referred to.

Mr. PARR. Oh, yes, yes. [Pause] No, sir. I do not know how to explain the word "commitment."

Mr. WEITZ. And in a memorandum from Gordon Strachan to H. R. Haldeman, which I will show you; page 2 of which refers to Jacobsen and Nelson delivering on a commitment; although the original \$2 million was to be cut back to \$1 million. Do you know anything about that \$2 million commitment that is referred to there?

Mr. PARR. No, sir. I do not know about a Nelson and Jacobsen—

Mr. WEITZ. Do you have any idea what the reference is, or what is meant there by the word "commitment" to the 2,000, which, in White House terms, is a \$2 million commitment?

Mr. PARR. Nothing other than we were going to make substantial contributions; that is all I know.

*See Book 14, p. 6287.

Mr. WEITZ. And the fact that you recall a meeting with Mr. Evans with regard to Mr. Evans, and Mr. Evans and Mr. Kalmbach are referred to in the letter from Pat Hillings discussing \$2 million contributions, and the fact that Mr. Harrison in delivering the names of committees in the summer of 1971 refers to a commitment, and the fact that Mr. Strachan, in referring to it in an internal memorandum, apparently not in jest, to Mr. Haldeman, and referring to conversations between Mr. Kalmbach and Mr. Nelson and Mr. Jacobsen that refers to a \$2 million commitment; you have no light to shed on all of that? No knowledge of representations made that \$2 million would be contributed?

Mr. PARR. Mr. Weitz, I have done everything I know to do to try to shed light on this subject. I know that the dairy industry, in particular TAPE, was going to make substantial contributions. I do not recall ever, other than what I have testified to, meeting beyond that. I do not know how to—I wish I could get more specific.

Mr. WEITZ. Let us move to, perhaps, the transaction which you do know something about. You referred to having received names of committees once, and forwarding them to Mr. Nelson.

Mr. PARR. Yes, sir.

Mr. WEITZ. I have here a copy of a letter, dated August 5, 1971, from Murray Chotiner to you.

Mr. PARR. All right.

Mr. WEITZ. And the title is "re: contributions." Let me mark that as exhibit 9.

[Whereupon, the document referred to was marked Parr exhibit No. 9 for identification.*]

Mr. WEITZ. Do you recall receiving a copy of that letter?

Mr. PARR. This is in relationship to those committees? Yes, sir.

Mr. WEITZ. Now, is this [indicating] a list of the committees you received, or a copy of the list?

Mr. PARR. Yes, sir. I guess it is.

Mr. WEITZ. There was a list of 100 committees that you received?

Mr. PARR. I suppose so.

Mr. WEITZ. Now, this list that I have showed you, of 100 committees, has no circles around any of the numbers, and there is a reference in the letter to single circles and double circles. Do you recall this with such single circles and double circles?

Mr. PARR. No, sir. No, sir. I do not.

Mr. WEITZ. All right. How did you come to receive this letter? Did you discuss this matter with Mr. Chotiner, either before or after receiving the letter?

Mr. PARR. Apparently Mr. Chotiner called me, and I think—I believe this to be correct, Mr. Weitz—that Mr. Chotiner was trying to find Mr. Nelson, and then called me in reference to the committees.

Mr. WEITZ. Before that time, were you aware that committee names had been sent to TAPE, and contributions had been made?

Mr. PARR. I believe so.

Mr. WEITZ. Who had told you about that? Mr. Nelson?

Mr. PARR. I think so.

Mr. WEITZ. Did you know why there were so many committees?

*See p. 6930.

Mr. PARR. In order to receive the substantial contributions we were making. There was a furor about how many dollars could go to how many committees.

Mr. WEITZ. How many dollars did you understand could go to each committee?

Mr. PARR. \$2,000 or \$3,000, \$5,000.

Mr. WEITZ. What was the amount that was being broken down into committees?

Mr. PARR. I believe somewhere in that bracket.

Mr. WEITZ. Somewhere in what bracket?

Mr. PARR. \$2,000 or \$3,000.

Mr. WEITZ. No; that is per committee; but what total amount had to be broken down?

Mr. PARR. I do not remember any total amount.

Mr. WEITZ. Several hundred thousand dollars? Do you recall that, or a quarter of a million dollars? Do you recall that?

Mr. PARR. I believe the reasoning went something like that, and I am still not clear on it why it was that we were going to report contributions, and simultaneously have committees. I never have understood what the thinking was.

Mr. WEITZ. Did you understand that multiple committees had something to do, or did you think it had something to do with avoiding some reporting requirements?

Mr. PARR. No, sir. I never have understood. I recall, as I have testified several times, that there was a furor over the committees.

Mr. WEITZ. Did anyone ever tell you that they were separate committees for the milk money? There had to be special or separate committees for you alone?

Mr. PARR. No, sir.

Mr. WEITZ. As far as you knew, these committees could be receiving and were receiving funds from other large contributors?

Mr. PARR. Yes, sir. I never did give it any thought either way.

Mr. WEITZ. You did not know?

Mr. PARR. No, sir, but there was—

Mr. WEITZ. Yes.

Mr. PARR. There was a furor over the committees, and I still have never been clear yet why we were going to report, and then I believe they called them D.C. committees, and I never did understand this. I still do not, to this day, understand.

Mr. WEITZ. Either before or after receiving this letter from Mr. Chotiner, exhibit No. 9, did you discuss the matter with anyone in AMPI beside Mr. Nelson?

Mr. PARR. Discuss what?

Mr. WEITZ. The matter of making contributions to some of these committees, the names of which you were going to be receiving from Mr. Chotiner?

Mr. PARR. I am not sure.

Mr. WEITZ. All right. On August 9, there is a letter—and I am aware from other testimony of yours, that that is not your signature, but I think you have identified the letter from you to Mr. Isham?

Mr. PARR. Yes.

Mr. WEITZ. Does that indicate that you have discussed the matter with Mr. Isham?

Let me mark this as exhibit 10.

[Whereupon, the document referred to was marked Parr exhibit No. 10 for identification.¹]

Mr. PARR. I do not remember discussing it with Mr. Isham.

Mr. WEITZ. Did you discuss it with anybody from any of the other co-ops, them making contributions at the same time to some of these committees?

Mr. PARR. Yes; I believe there was something from Mr. Hanman, I do not remember what it was, one of the lists of committees or something.

Mr. WEITZ. Let me show you Townsend exhibit 6,² part of which is a letter from you to Mr. Hanman, dated August 9, 1971; the same date as exhibit 10. Is that a copy of the letter you sent to Mr. Hanman?

Mr. PARR. Yes, sir.

Mr. WEITZ. Attached to those are the names of the committees which you sent to Mr. Hanman?

Mr. PARR. I suppose so.

Mr. WEITZ. Did you talk to Mr. Hanman before sending him this letter, about making contributions to those committees?

Mr. PARR. Yes; I guess I did.

Mr. WEITZ. In the letter to Mr. Chotiner, exhibit 9, he does not mention \$2,500 for a committee; yet, in the two letters you sent out, exhibit 10 and Townsend exhibit 6, one to Mr. Isham and one to Mr. Hanman, you mentioned, "Please mail checks in the amount of \$2,500 each to these committees."

How did you know about the amount for each committee?

Mr. PARR. I guess Mr. Chotiner told me.

Mr. WEITZ. Am I correct, by the way, that Townsend exhibit 6 is your signature?

Mr. PARR. Let me see. That looks like it.

Mr. WEITZ. I am sorry. What was your answer about the \$2,500 per committee?

Mr. PARR. I suppose Mr. Chotiner told me.

Mr. WEITZ. Did you ask him why? Do you remember him talking about it?

Mr. PARR. Because I testified I thought there were some limitation as to per committee of \$2,000 or \$3,000. I remember somebody discussing that.

Mr. WEITZ. Did you know how much Mr. Chotiner was asking for in this particular set of contributions?

How many committees were involved, for example? You apparently sent, what, 12 names, committee names to Mr. Hanman? Is that right?

Mr. PARR. As I recall, Mr. Weitz, the reason that we got that list from Mr. Chotiner, I believe we had talked to Mr. Nelson, and Mr. Nelson had gone to Europe, and I believe he related to me that he talked to Mr. Nelson, and would I get the information to his office, or something of that nature. I have forgotten exactly what the conversation was.

Mr. WEITZ. And before Mr. Nelson left for Europe, he did not tell you that if he was gone and you received such-and-such from Mr. Chotiner, you had this authority to send them on to Mr. Hanman and

¹ See p. 6931.

² See Book 14, p. 6372.

so forth; and that Mr. Hanman had agreed to make contributions of such-and-such amount, \$30,000?

Mr. PARR. I cannot recall anything like that; maybe there was, but I cannot remember.

Mr. WEITZ. Part of Townsend exhibit 6 is a letter from Gary Hanman to you, dated August 19, 1973. Do you recall receiving a copy of that letter?

Mr. PARR. It was addressed to me, so I guess I received it.

Mr. WEITZ. Do you recall Mr. Hanman talking to you about the fact that they were going to contribute \$15,000, but they could not afford the entire \$30,000?

Mr. PARR. That is what he says here, so I do not doubt it.

Mr. WEITZ. But you do not recall it?

Mr. PARR. No.

Mr. WEITZ. Are you aware that on the same day, SPACE also made contributions to 12 committees in the total amount of \$30,000? That is a matter of public record.

What I am asking you is, were you aware of a contribution around the same time from SPACE for \$30,000?

Mr. PARR. I could have been. I do not specifically remember it, but I could have been.

Mr. WEITZ. You flew to Louisville, back in March of 1971; you were there with Mr. Hanman, perhaps. You do not recall, but you were there with Mr. Nelson talking to Mr. Alagia.

So were you aware of efforts by Mr. Nelson to certainly get SPACE to make substantial contributions along with TAPE and perhaps make loans to ADEPT, so the two could make substantial contributions?

Mr. PARR. Yes.

Mr. WEITZ. So you were involved in that, and aware of that at that time.

Why do you not have a specific recollection, or some recollection in August 1971 of a similar effort or a continuation of the earlier efforts to have the three co-ops make coordinated contributions in an orderly fashion at the same time to a number of these committees?

Mr. PARR. I have said I do not remember.

Mr. WEITZ. You are not saying that it did not happen, but you are not saying that you remember any particulars of any conversations or any awarenesses that contributions were being made by SPACE or anything of that sort?

Mr. PARR. The only thing I can remember, Mr. Weitz, is that I believe this to be true, and I am sure that Mr. Nelson was out of the country. And it appears that I got a call from Mr. Chotiner; and it also appears that that information was relayed.

Mr. WEITZ. In Townsend exhibit No. 6, that I have shown you, the last line reads: "This information was related to Tom Townsend last week."

Do you recall talking to Mr. Townsend about this transaction?

Mr. PARR. I am sure that I did if he—

Mr. WEITZ. How can you be so sure that Mr. Nelson was out of the country?

Mr. PARR. I just know he went to—I believe to Europe.

Mr. WEITZ. And he did not leave you any instructions about this matter when he left, or ask you about it when he returned?

Mr. PARR. I wish I could remember, but I do not.

Mr. WEITZ. Were you aware of the contributions totaling \$62,500 in September 1971 by TAPE to more of these committees?

Mr. PARR. I am sure I had a general awareness of it, but not specifically.

Mr. WEITZ. The President did appear and spoke at the 1971 annual convention, did he not?

Mr. PARR. Yes, sir.

Mr. WEITZ. Do you know how that was arranged? Were you involved?

Were you present at any conversations or meeting at which that request was made?

Mr. PARR. I do not recall that we testified that after the 1970 annual meeting, we started talking about that.

Mr. WEITZ. Were you aware whether the request was renewed in the intervening year?

• Mr. PARR. Yes, I am sure that it was.

Mr. WEITZ. Do you know of any such contacts and renewals of request?

Mr. PARR. That would have been done—arrangements on that would have been done by Mr. Harrison or Mr. Chotiner.

Mr. WEITZ. Were you at the 1971 convention?

Mr. PARR. Yes, sir.

Mr. WEITZ. Did you talk with the President while he was there?

Mr. PARR. No—well, other than, say, to shake his hand.

Mr. WEITZ. Was there any connection, to your knowledge, between the contributions in September of 1971, and the appearance of the President at the annual convention?

Mr. PARR. Not that I know.

Mr. WEITZ. At the same time, however, you stated you have no understanding or information as to the background of that \$62,500 contribution?

Mr. PARR. I do not remember any September contribution.

Mr. WEITZ. So therefore, the fact that you know of no connection between the two does not surprise you if there is any connection?

Mr. PARR. I cannot imagine that there is any connection.

Mr. WEITZ. Do you know the firm of Wagner & Baroody?

Mr. PARR. No, sir.

Mr. WEITZ. Were they ever retained or employed by AMPI?

Mr. PARR. I do not know anything about Wagner & Baroody.

Mr. WEITZ. Were you generally familiar with the public relations firms in Washington that were hired by AMPI, at least to the extent that you knew which public relations firms they had hired?

Mr. PARR. I do not know that we had any.

Mr. WEITZ. You did not know of any public relations firms they had hired?

Mr. PARR. Well, Mr. van Dyk—they were not public relations.

Mr. WEITZ. Consultants of sorts?

Mr. PARR. Yes, sir. I do not know of any; maybe there were some, but I do not know of them. I have never heard of Wagner & Baroody.

Mr. WEITZ. Do you recall any instance in which Mr. Harrison or Mr. Colson mentioned either a Mr. Baroody, or the firm of Wagner & Baroody?

Mr. PARR. No, sir.

Mr. WEITZ. Are you familiar with a \$5,000 contribution, or a request for some additional contribution in late August 1971 or early September 1971 by Mr. Harrison from TAPE?

Mr. PARR. No, sir.

Mr. WEITZ. Were you aware whether at the annual convention in 1971 anyone delivered a check to Mr. Harrison for a political contribution?

Mr. PARR. The first time I ever heard about that, Mr. Weitz, was in the newspaper.

Mr. WEITZ. Did most of Mr. Harrison's requests go through someone other than yourself?

Mr. PARR. He had access to all of us.

Mr. WEITZ. Were you aware at all of any discussions after the September contributions, that I have asked you about in 1971, concerning the adverse publicity relating to those contributions, those and earlier contributions?

Mr. PARR. Yes.

Mr. WEITZ. Did you discuss the matter with someone at AMPI?

Mr. PARR. I have forgotten when the Nader lawsuit was filed, but that was adverse.

Mr. WEITZ. Before the lawsuit was filed in 1971, when there were reports of committee chairmen being unaware of their positions or the wrong addresses being filed or various things of that nature in relation to some committees that had received dairy contributions; do you recall that matter arising, and do you recall discussing it with people at AMPI?

Mr. PARR. No, I do not recall discussing it; no, sir.

Mr. WEITZ. Let me mark as exhibit 11 a memorandum dated October 18, 1971, from Robert Isham to Mr. Nelson, Mr. Parr, Mr. Lilly, and Mr. Harrison on the subject of TAPE reports to Clerk of the U.S. House, and attached letters.

[Whereupon, the document referred to was marked Parr exhibit No. 11 for identification.*]

Mr. WEITZ. And one of the matters discussed is the fact that another committee chairman is ignorant of any receipts from TAPE.

Do you recall receiving a copy of that memorandum, or do you recall the subject matter discussed in that memorandum?

Mr. PARR. I am sure that I received it, Mr. Weitz, but it really did not mean anything to me.

Mr. WEITZ. And you recall nothing significant concerning that matter? You said, though, that you probably discussed the matter with people at AMPI, but you do not recall?

Mr. PARR. I remember when the Nader thing was filed, but I do not remember this.

Mr. WEITZ. What happened when the Nader suit was filed? I believe the record shows that that was in January 1972.

Mr. PARR. I do not recall when it was.

Mr. WEITZ. Well, without regard to the specific day, what was discussed in connection with the lawsuit?

Mr. PARR. In a general sort of way, I think that was—I think the general discussion went something like this; that Mr. Nader had gone

*See p. 6932.

to a meeting of NFO in Iowa someplace, and NFO did not feel kind toward AMPI, and that some way immediately after that meeting, Mr. Nader filed a lawsuit.

There was something about that, I recall that. I do not know what it was.

Mr. WEITZ. In connection with a filing of a lawsuit, or these discussions in connection with a lawsuit, do you recall anyone sitting down that you were present or overheard to discuss what went on the previous year, and relate the relationships, if any, between the contributions of 1971 and the increase?

Mr. PARR. No, sir.

Mr. WEITZ. NFO at that time was involved in some antitrust litigation with AMPI; was it not?

Mr. PARR. I believe it was in—I have forgotten when the NFO lawsuit—I believe it was in March.

Mr. WEITZ. March 1971?

Mr. PARR. Yes, sir.

Mr. WEITZ. So at the time of the Nader lawsuit, if it was filed in 1972, antitrust litigation involving NFO and AMPI and others was already pending, is that correct?

Mr. PARR. Nader was in 1972?

Mr. WEITZ. Yes.

Mr. PARR. And I believe that the NFO lawsuit was filed in March of 1971.

Mr. WEITZ. In connection with or sometime in 1971, did you engage or authorize an unusual—well, without characterizing it, did you engage or authorize document destruction in the files in Little Rock?

Mr. PARR. Yes, sir. I testified to that, didn't I?

Mr. SANDERS. Not here.

Mr. WEITZ. Let us go off the record.

[Discussion off the record.]

Mr. WEITZ. On the record.

Could you tell us about that please? Do you know when it took place?

Mr. PARR. I believe it was April of 1971.

Mr. WEITZ. And was the document destruction undertaken in anticipation of possible antitrust litigation suits being filed against AMPI? Had such suits already been filed at that time?

Mr. PARR. Yes.

Mr. WEITZ. At least one had already been filed?

Mr. PARR. Yes, sir. I do not know the sequence of it. I have forgotten who filed against who: Mid-America filed against NFO, or NFO filed against Mid-America; but NFO filed against AMPI.

Mr. WEITZ. Was it before or after that that you engaged in this or authorized this destruction?

Mr. PARR. Afterward.

Mr. WEITZ. After AMPI was already involved in the litigation, in the lawsuit?

Mr. PARR. Yes.

Mr. WEITZ. And what type of documents did you destroy, or request be destroyed?

Mr. PARR. The best I can recall is some attorney implied to us strongly to search our files, and make sure that any information concerning NFO be eliminated.

Mr. WEITZ. Was that attorney Stuart Russell?

Mr. PARR. I hate to say who it was; not that I do not mind saying who it was, it is just that I do not recall who it was. But I know this, that I did not have enough knowledge of what it was—because it was not legal, so I had to get it implied to me by somebody.

Mr. WEITZ. You were told?

Mr. PARR. Well, I do not know whether I was told or implied; however you want to say it.

Mr. WEITZ. Did you pass the suggestion on to others?

Mr. PARR. Yes, sir. We had people who wrote. I did not write very much. I am not a writer.

We had people who wrote a lot when they were thinking, and the idea being, do you have anything in your files that could possibly—do not destroy anything that is important to the files of AMPI, but could be significant, to be implied; that is the way, I believe, it was described to me.

Mr. WEITZ. Let us say that you had a document which was both significant to AMPI, but also happened to be particularly relevant to the NFO lawsuit.

Mr. PARR. It would have been an individual decision as to what would be done. Everybody had it in their own files.

Mr. WEITZ. Who was involved? Who did you talk to about this?

Mr. PARR. The first man I talked to?

Mr. WEITZ. No. Who were the people that you told to destroy some of their files?

Mr. PARR. Let me see; Lynn Elrod was there, Joe Murphy was there, Tom Townsend was there. Those were the three principals.

Mr. WEITZ. When you say they were there, did you tell them to destroy some of their files?

Mr. PARR. I told them what I was told.

Mr. WEITZ. Did they destroy some files?

Mr. PARR. Yes, sir.

Mr. WEITZ. Did you destroy some of your files?

Mr. PARR. My files were gone through.

Mr. WEITZ. By someone?

Mr. PARR. Yes.

Mr. WEITZ. Was it by your secretary?

Mr. PARR. Well, it was the whole; not only were we looking at all of the files, we just had a good cleanup that day, too; a darned good cleanup, because that was something that I had practiced for years.

Mr. WEITZ. But this was instigated because of a particular request in relation to the antitrust suit?

Mr. PARR. Yes, it was.

Mr. WEITZ. Can you recall for us any of the types of documents that were destroyed; what class of documents, what types of files?

Mr. PARR. No, sir. I cannot, but the people there could probably.

Mr. WEITZ. Were any of the documents that were destroyed, or any of the types of documents that you thought were supposed to be destroyed, did any of those relate to the subject of milk price supports?

Mr. PARR. The milk price support had not become an issue at all.

Mr. WEITZ. In the lawsuit? You said it was April of 1971. It had become an issue somewhere.

Mr. PARR. No, the real issue of the political contribution did not become an issue until, as I recall, until later, it seemed to me.

Mr. WEITZ. All right. My question was, to your knowledge, were any documents destroyed, or did the request cover any documents relating to milk price supports?

Mr. PARR. Not that I recall.

Mr. WEITZ. What about political contributions?

Mr. PARR. All of that kind of information was in San Antonio; I guess they had the same type of thing down there.

Mr. WEITZ. I am not talking about—

Mr. PARR. We did not have any.

Mr. WEITZ. What about memos; not necessarily the TAPE records, but memorandums, or letters or notes of some sort?

Mr. PARR. No, sir. I do not recall anything.

Mr. WEITZ. How about some of those transactions that took place in 1970, you told us with regard to Georgia and so forth; were there any notes from Stu Russell or notes from Tom Townsend about that?

Mr. PARR. Not that I recall. The Georgia matter, I thought you were talking about Under Secretary Campbell.

Mr. WEITZ. Yes.

Mr. PARR. He called me on the telephone.

Mr. WEITZ. You made no notation of that; or nothing you kept.

Mr. PARR. No, sir.

Mr. WEITZ. You mentioned San Antonio. Was a similar effort undertaken in San Antonio to destroy some documents in the home office?

Mr. PARR. It was my firm belief that this was done all over AMPI.

Mr. WEITZ. In other words, it would not make sense to do it in Little Rock and not do it in the home office and in the other divisions?

Mr. PARR. I do not know whether anybody admitted it or not, but I will.

Mr. WEITZ. Did this directive, if it was companywide, did Mr. Nelson have to pass on that directive or issue it?

Mr. PARR. No; it did not have to be that way. AMPI, Mr. Russell could have done it.

Mr. WEITZ. Was it Mr. Russell who told you by the way?

Mr. PARR. I just do not know.

Mr. WEITZ. Who was involved? Who was intimately involved in the lawsuit at that time? Who was representing you in the lawsuit?

Mr. PARR. Mr. Russell.

Mr. WEITZ. Primarily Mr. Russell? Any other lawyers, you can recall, any other law firms?

Mr. PARR. Mr. Masters was working with Mr. Russell and Mr. Nelson, but I do not want to say that Mr. Russell did it or Mr. Nelson did it or Mr. Masters or who. I really do not know. But I know that I got the real impression, I do not know when I got it, and how I got it, but I got it.

Mr. WEITZ. Without regard to whether he asked you to do it at the outset, did you discuss this request of the document destruction with Mr. Russell?

Mr. PARR. I am sure that—well, it is my belief that it was done throughout AMPI. I do not know whether it was or was not, but that sounds logical, because we did not—all we did in Little Rock was think, and the records of most of the organization was in different locations throughout AMPI.

It was in every office, and we had many offices; so it would just not make sense to just have it in Little Rock. And I do not understand yet why I read in the paper about that just in Little Rock, but somebody did something.

Mr. WEITZ. Did you ever receive a similar request other than that one to destroy sensitive documents?

Mr. PARR. No, sir.

Mr. WEITZ. In 1972, after Mr. Nelson was replaced as general manager, and before the time you left the employ of AMPI, did you, or anyone else to your knowledge, destroy any additional documents?

Mr. PARR. No, sir, not that I recall.

Mr. WEITZ. Did you ask anyone to do so?

Mr. PARR. Not that I recall; that was pretty quick. In fact, I was not, Mr. Weitz—when that act occurred, I had already—I was not at the Little Rock office.

Mr. WEITZ. At the time he was replaced. But you returned to the Little Rock office before you actually left AMPI for good, did you not?

Mr. PARR. No; I had already moved out of the AMPI office.

Mr. WEITZ. Where were you working?

Mr. PARR. I was in an office called Quapaw Towers.

Mr. WEITZ. Also in Little Rock?

Mr. PARR. Yes.

Mr. WEITZ. I see. Did you take any documents with you?

Mr. PARR. Just the things I normally work with; I did not have many files. I was not a file man.

Mr. WEITZ. Are you aware of any requests for moneys to be delivered to John Connally or anyone on behalf of John Connally?

Mr. PARR. No, sir.

Mr. WEITZ. Do you know whether Mr. Jake Jacobsen ever asked for or received any funds from AMPI for Mr. Connally's use?

Mr. PARR. Somebody asked me—you asked me or somebody asked me yesterday or some time was I requested to come to San Antonio to a meeting in which this occurred. Mr. Jacobsen had asked Mr. Lilly; Mr. Lilly had refused. And then Mr. Nelson asked me to come to San Antonio. That does not add up with me.

Mr. WEITZ. Did there come a time in 1971 when Mr. Nelson mentioned to you or in any way discussed a request by Jake Jacobsen for money from AMPI?

Mr. PARR. For what?

Mr. WEITZ. For any purpose; for political purposes?

Mr. PARR. Not that I recall.

Mr. WEITZ. For Mr. Connally?

Mr. PARR. Not that I recall.

Mr. WEITZ. For Mr. Jacobsen's own personal use?

Mr. PARR. Not that I recall.

Mr. WEITZ. You have already testified to the fact that Mr. Jacobsen gave you \$5,000 on one occasion?

Mr. PARR. Yes, sir.

Mr. WEITZ. And I believe you testified you did not know the source of those funds?

Mr. PARR. Not exactly; no, sir.

Mr. WEITZ. Was it your understanding that they were corporate funds, or the source was ultimately—

Mr. PARR. Mr. Weitz, I never did worry about how the bookkeeping was done in San Antonio. I never did.

Mr. WEITZ. But in that instance you did testify that you asked Mr. Nelson that the money be provided, and Mr. Jacobsen provided you with the money?

Mr. PARR. Yes, sir. I just do not recall any instance whatsoever, and there might have been some, but I do not recall it, that my contact with San Antonio was with Mr. Nelson, and I rarely talked to Mr. Isham.

I visited with Mr. Lilly from time to time, but my contact in San Antonio was Mr. Nelson.

Mr. WEITZ. Of course in that regard, when you asked Mr. Nelson for the money, even if it had come from Mr. Isham, you never were asked for and never gave them any name of a committee to report it, did you, this \$5,000?

Mr. PARR. No, sir. I do not guess I did. I do not recall whether I did or not, but I am going to look up that \$5,000 and find out.

Mr. WEITZ. You are familiar, stemming from your contact with these contributions to the President—you are familiar with the fact that when TAPE made, generally—or perhaps in every case when TAPE made contributions, committee names were provided, and that is the way they made their contributions. Is that correct?

Mr. PARR. To the President?

Mr. WEITZ. To the President as a political candidate. Did you think it only applied to the President, only the President had to provide committee names?

Mr. PARR. Start all over again.

Mr. WEITZ. TAPE made contributions to the President, and the way it did so, at least in some instances, was for committee names to be provided; and in one case, you have testified, you received committee names from Mr. Chotiner and forwarded them on for contributions to be made.

That seemed to be to you, particularly in light of your meeting with Mr. Evans, an important ingredient in the making of the contributions. TAPE was making contributions only if and when it received the names of committees?

Mr. PARR. That is correct.

Mr. WEITZ. And that had something to do, did it not, with its reporting requirements to the Clerk of the House of Representatives?

Mr. PARR. Yes; as far as I know—

Mr. WEITZ. So when you asked for Mr. Nelson to provide some money, and Mr. Jacobsen gave you the money, and you passed it on, and you never gave a committee in return, did you assume then that it could be reported by TAPE in the normal course, the way TAPE reported its other contributions?

Mr. PARR. Oh, I see what you are talking about. I do not guess I ever—any contributions that we made with TAPE had to have a receipt from the committee we gave it to. In the instance of this \$5,000 I just do not remember the things around it. I can tell you this: I will find out where that \$5,000 went.

Mr. WEITZ. Do you know of any TAPE contributions made in cash?

Mr. PARR. Any what?

Mr. WEITZ. Any TAPE contributions that were made in cash?

Mr. PARR. I do not know how they did their bookkeeping. I do not know yet whether or not the \$5,000 I got was TAPE or not TAPE.

Mr. WEITZ. Getting back to this area with regard to Mr. Connally and Mr. Jacobsen, do you recall any instance in which Mr. Nelson asked you or just informed you of the fact that Jacobsen had asked for some money, for whatever purpose?

Mr. PARR. No, sir. I do not recall anything like that.

Mr. WEITZ. So your best recollection is that you were never consulted or told of any moneys, if any did, that went to Mr. Jacobsen other than those for his billings?

Mr. PARR. I just do not know anything about the Jacobsen-Nelson relationship.

Mr. WEITZ. Did Lilly ever talk to you about any request he got from Mr. Jacobsen for money?

Mr. PARR. Not that I recall.

Mr. WEITZ. I believe you said that in one instance when you received the \$5,000 from Mr. Jacobsen—now, correct me if I am wrong—was that the same day at the airport that you ran into Mr. Lilly by accident?

Mr. PARR. Yes.

Mr. WEITZ. Do you know what Mr. Lilly was in Austin for?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. Did Mr. Jacobsen tell you?

Mr. PARR. No.

Mr. WEITZ. Did anyone mention that Mr. Lilly had come to see Mr. Jacobsen?

Mr. PARR. I do not know what they were doing. Lilly was doing something. I do not know where he was going.

Mr. WEITZ. He did not say and Mr. Jacobsen did not say?

Mr. PARR. Not that I recall. He was on some kind of a mission. I do not know what kind of a mission he was on.

Mr. WEITZ. Are you aware that on or around February 1, 1972, an antitrust suit was filed by the Department of Justice against AMPI?

Mr. PARR. Yes.

Mr. WEITZ. What do you know about the suit? Just the fact that it was filed, or do you know something else?

Mr. PARR. That is all I know.

Mr. WEITZ. You left AMPI in February 1972, is that correct?

Mr. PARR. Yes.

Mr. WEITZ. Before that time were you aware of any contacts that were being made or negotiations that were being conducted between representatives of AMPI and people in the Government concerning the antitrust suit?

Mr. PARR. No, sir. Not that I know of. That would not be something I would be dealing with.

Mr. WEITZ. And you received no further requests to destroy documents?

Mr. PARR. Oh, no.

Mr. WEITZ. Were you ever asked to have documents placed in storage somewhere so they could not be found?

Mr. PARR. Not that I recall.

Mr. WEITZ. During 1972, after you left AMPI, were you ever told or did you become aware of any further contacts between Republican fundraisers and Mr. Nelson, or employees of AMPI?

Mr. PARR. I have hardly any knowledge of anything since then.

Mr. WEITZ. Are you familiar with, or did you know anything about an IRS investigation or audit of the records of AMPI or its predecessor MPI?

Mr. PARR. I have read, I have heard, or something. I don't know what it is, but it seems like there was—again, that is a matter I would not be involved in.

Mr. WEITZ. And you do not remember anything about the investigation or an attempt to talk to Government officials or someone about that?

Mr. PARR. I have read or heard or something. But that is just something that I would not know anything about.

Mr. WEITZ. When did you join Dairymen, Inc.?

Mr. PARR. March of 1972.

Mr. WEITZ. I believe you said that you were not involved particularly in political matters, is that correct, at Dairymen, Inc.?

Mr. PARR. Yes.

Mr. WEITZ. Were you ever consulted or did you talk to Joe Westwater or Ben Morgan or anyone around about possible political contributions to the Presidential campaign in 1972?

Mr. PARR. I probably heard discussions, yes.

Mr. WEITZ. Were you asked specifically or told of any particular contribution?

Mr. PARR. Yes, there were discussions about the amount to contribute.

Mr. WEITZ. To whom?

Mr. PARR. Who do you want to talk about?

Mr. WEITZ. Let's take the President first of all.

Mr. PARR. Yes.

Mr. WEITZ. What amounts were they discussing, or what amounts did they decide to contribute?

Mr. PARR. I do not know what they finally contributed, but they bounced around figures of \$100,000 or \$150,000. My thought on the matter was less. I don't know what they actually did.

Mr. WEITZ. You joined in March of 1972?

Mr. PARR. Yes.

Mr. WEITZ. Do you recall how soon after you came on you were engaged in these discussions about possible contributions and the figures of \$100,000 or \$150,000 were discussed?

Mr. PARR. I believe that was in the fall of 1972.

Mr. WEITZ. Fall of 1972?

Mr. PARR. Yes.

Mr. WEITZ. Was that after Mr. McGovern was nominated, or before?

Mr. PARR. Well, when was he nominated? In July?

Mr. WEITZ. I think so.

Mr. PARR. It would be after that period, I guess. I don't know. I just don't play that much a role in their things.

Mr. WEITZ. I understand. Do you recall within the first month after you came to Dairymen, Inc., any discussion of contributions just prior to April 7, 1972, to the President's reelection?

Mr. PARR. No, sir.

Mr. WEITZ. But as you say you were not intricately involved in contributions to political matters?

Mr. PARR. My role in Dairymen, Inc., is to try to advise on what not to do, which I relish.

Mr. WEITZ. Do you recall discussions as to whether the people from Dairymen, Inc., should meet with or make contributions to Democrats for Nixon?

Mr. PARR. I believe that is where they made a contribution. I believe I have seen it on the records.

Mr. WEITZ. Did you meet with other representatives of Dairymen, Inc., and Mr. Connally in 1972?

Mr. PARR. I believe you asked me that before, and I cannot recall whether I have met with Mr. Connally or I have not met with Mr. Connally.

Mr. WEITZ. Do you recall hearing about or knowing of some meeting between representatives of Dairymen, Inc., and Mr. Connally?

Mr. PARR. Yes, there was a meeting with Mr. Connally.

Mr. WEITZ. Who arranged that meeting?

Mr. PARR. I do not know.

Mr. WEITZ. Did you talk to Jake Jacobsen in 1972 about political contributions to Democrats for Nixon by Dairymen, Inc., by SPACE?

Mr. PARR. I could have.

Mr. WEITZ. Were you in contact with Mr. Jacobsen in 1972 about that and other matters?

Mr. PARR. I have forgotten. I have not talked to Mr. Jacobsen for a while, but it is my firm belief that I did attend a meeting with Mr. Morgan and Mr. Westwater.

Mr. WEITZ. Who else? Anyone else?

Mr. PARR. With Mr. Connally.

Mr. WEITZ. In 1972?

Mr. PARR. Yes, sir.

Mr. WEITZ. I have here a letter, dated August 15, 1972, from Joe Westwater to the Honorable John Connally, and it is exhibit No. 4* to Mr. Connally's executive session. And it begins: "On August 2, Ben Morgan, Dave Parr, and I, from Dairymen, Inc., and Eugene Baldi and Gary Hanman of Mid-America Dairymen, Inc., met with you."

Mr. PARR. Yes, that's it.

Mr. WEITZ. You were at that meeting?

Mr. PARR. Yes, sir.

Mr. GIBSON. Did you refer to a letter?

Mr. WEITZ. August 15, 1972.

Mr. GIBSON. Is that a part of this record?

Mr. WEITZ. No, it's not a part of this record.

Who arranged for that meeting?

Mr. PARR. Mr. Morgan had gone, I believe, to a meeting in Texas with Mr. Moser. I could have called Mr. Jacobsen. I just do not know the facts surrounding it. If you want to refresh my memory, I do not mind agreeing to it. But the reason I was hesitating a while ago is, Mr. Morgan was—I had another meeting with Mr. Connally with Mr. Morgan, Mr. Westwater.

Mr. WEITZ. When was that?

*See Book 14, p. 6095.

Mr. PARR. In 1973.

Mr. WEITZ. This year?

Mr. PARR. Yes, sir. That meeting was at the Mayflower Hotel.

Mr. SANDERS. Are you going to get into 1976 contributions?

Mr. WEITZ. I was going to ask you, did that meeting have anything to do with any matters discussed relating back to 1972 or prior to 1972?

Mr. PARR. It was concerning proposed legislation into the dairy industry—had a bill trying to go through Congress, and the main issue was trying to explain to somebody that might understand it—the problem of market service payments, as I recall.

Mr. WEITZ. In 1972, when you met with Mr. Connally, was that the first time you met with him?

Mr. PARR. I can tell you all of the times I have ever met with Mr. Connally, if you would like.

Mr. WEITZ. You had not met as of March 1971? You had not met with him, as I recall, as you have testified.

Mr. PARR. I do not know what I have testified, but I will try to recall every time I've ever seen the man.

Mr. WEITZ. Not seen him. Met with him.

Mr. PARR. I mean met with him.

Let me just go back to make sure I don't miss anything. I have seen Mr. Connally in Texas twice to my knowledge. I saw him in Mr. Mills' committee room when he just became Secretary of the Treasury and was introduced to him. I saw him in Mr. Mills' office one day and was introduced to him, and I met him, I believe, that date in 1972.

Mr. WEITZ. Was the time in 1972 the first time that you were actually a part of a small group of people conducting a meeting with him, rather than just being briefly introduced?

Mr. PARR. I believe that is correct.

Mr. WEITZ. What was the purpose of the meeting?

Mr. PARR. The intent of Dairymen, Inc., to make contributions to Mr. Nixon's—I guess it was Democrats for Nixon.

Mr. WEITZ. Had this matter been discussed with Mr. Jacobsen prior to the meeting?

Mr. PARR. I believe Mr. Westwater had been talking to various and sundry people in the Nixon—in particular, the man who is now Assistant Secretary of Agriculture.

Mr. WEITZ. Clayton Yeutter?

Mr. PARR. Yes, sir. He had been talking to them. And from there, I do not know how it was, who talked to Jacobsen.

Mr. WEITZ. Was one related to another? Did Mr. Yeutter suggest that you talk—your group also contribute or talk to people at Democrats for Nixon, or did Mr. Jacobsen suggest the opposite?

Mr. PARR. I don't know how that was done. I just know that there was some discussion.

Mr. WEITZ. Before this meeting, was there some decision on the part of Dairymen, Inc., to make a certain contribution?

Mr. PARR. As I have testified, they were talking in terms—Mr. Westwater was talking—he was the legislative man in Dairymen, Inc.—was talking to Mr. Morgan and the staff there and the SPACE committee about how much to make and how much not to make, and the question was how much to make.

Mr. WEITZ. Was there a decision made before the meeting that you know of?

Mr. PARR. I believe it was. I believe the figure was \$50,000, but I am not sure. I guess the records will reveal it, but I do not know it. I was not paying much attention.

Mr. WEITZ. First of all, did anyone tell Mr. Jacobsen before the meeting that a decision had been made and a certain amount would be contributed?

Mr. PARR. I do not know.

Mr. WEITZ. What took place at the meeting? Were all of these gentlemen present indicated in the letter that I have shown you—Mr. Morgan was present, you were present, Mr. Westwater was present, Mr. Baldi and Mr. Hanman.

Mr. PARR. I believe that's correct.

Mr. WEITZ. Was Mr. Jacobsen present?

Mr. PARR. I think so.

Mr. WEITZ. And Mr. Connally, of course?

Mr. PARR. I don't believe Mr. Connally was there. It was wherever—I am trying to locate where it even was.

Mr. WEITZ. The letter is addressed to the Madison Hotel.

Was it at the Madison Hotel?

Mr. PARR. That's where it was, then.

Mr. WEITZ. Was that the headquarters of Democrats for Nixon?

Mr. PARR. I believe it was.

Mr. WEITZ. What was said at the meeting, to the best of your recollection?

Mr. PARR. Again, they were talking about committees. There was some discussion about State committees or something.

Mr. WEITZ. To receive the contributions?

Mr. PARR. Yes, sir. At this point in time I had already had all the committee talk I had wanted to have. So I guess my previous reputation was carrying me along.

Mr. WEITZ. Were specific amounts discussed? Did any one or both of the two co-ops represented there tell Mr. Connally or announce they were going to make a contribution of a specific amount?

Mr. PARR. To be very honest with you, I didn't care whether they did or didn't.

Mr. WEITZ. Did Mr. Connally ask for any money or solicit any contributions?

Mr. PARR. I do not recall. I believe the decision was already made as to what DI was going to do, what SPACE was going to do. I didn't know that, but I did not feel that I was in charge of anything and did not want to be.

Mr. WEITZ. Do you recall Mr. Connally discussing a reception or dinner for the President that was going to be held at his ranch sometime after this meeting?

Mr. PARR. I was confused. I thought that was before. No; I don't recall that. Well, maybe it was discussed. But I don't recall it. I knew I was not going. I did not want to go.

Mr. WEITZ. Was anything substantive discussed with regard to dairy problems, or was it just a discussion of committees and contributions?

Mr. PARR. I do not remember.

Mr. WEITZ. Do you recall whether Mr. Westwater delivered a check shortly after that meeting to Mr. Jacobsen?

Mr. PARR. No, sir. I do not know.

Mr. WEITZ. Do you know how or when Mid-America made a contribution to Democrats for Nixon?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. Are you aware of any contacts in 1972 between Mr. Kalmbach or Mr. Lee Nunn and representatives of DI?

Mr. PARR. No, sir. I do not think I have ever met Mr. Nunn.

Mr. WEITZ. How about conversations or meetings between Mr. Kalmbach and somebody at DI?

Mr. PARR. I believe that Mr. Morgan met with Mr. Kalmbach.

Mr. WEITZ. When was that?

Mr. PARR. I do not know.

Mr. WEITZ. Was that in Los Angeles?

Mr. PARR. I do not know where they met.

Mr. WEITZ. Was it in Louisville?

Mr. PARR. No; I believe he went to California.

Mr. WEITZ. Who went to California?

Mr. PARR. Mr. Morgan.

Mr. WEITZ. Anyone else that you know?

Mr. PARR. I believe Mr. Jacobsen.

Mr. WEITZ. Anyone else?

Mr. PARR. Not that I know of.

Mr. WEITZ. Mr. Morgan went to California to meet with Mr. Kalmbach?

Mr. PARR. Yes.

Mr. WEITZ. Do you know who arranged that meeting?

Mr. PARR. No, sir. I did not.

Mr. WEITZ. Do you know what the purpose of the meeting was?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. Was it to discuss contributions?

Mr. PARR. I guess. I do not know what it was.

Mr. WEITZ. Was that before or after this meeting with Mr. Connally that you have described?

Mr. PARR. When was this meeting?

Mr. WEITZ. The letter refers to August 2, 1972.

Mr. PARR. I do not recall when it was.

Mr. WEITZ. Do you know whether Dairymen, Inc., or SPACE contributed to the finance committee or any committees provided by the Finance Committee To Re-Elect the President in 1972?

Mr. PARR. The only thing I know about is the Democrats for Nixon.

Mr. WEITZ. Do you know of any relationship between the meeting with Mr. Connally that you attended in which committees and contributions were discussed and the meeting between Mr. Morgan and Mr. Kalmbach in 1972?

Mr. PARR. No, sir. I do not.

Mr. WEITZ. Did you ever meet with or discuss contributions in 1972 with Mr. Yeutter?

Mr. PARR. No, sir.

Mr. WEITZ. Just Mr. Westwater?

Mr. PARR. Yes, sir. And what I testified to.

Mr. WEITZ. Other than what you have already testified to, do you have any other knowledge of any other contributions to Democratic Presidential candidates in 1972?

Mr. PARR. By whom?

Mr. WEITZ. By any of the three dairy trusts or their political action arms.

Mr. PARR. I believe SPACE contributed to Mills.

Mr. WEITZ. In 1972?

Mr. PARR. Yes.

Mr. WEITZ. And that was a reported contribution to your knowledge?

Mr. PARR. Yes.

Mr. WEITZ. Were there any contributions by any of the three co-ops to Mr. McGovern to your knowledge?

Mr. PARR. I do not believe SPACE did. I do not know about the rest of them.

Mr. WEITZ. Are there any other contributions you know of, other than what you have already testified to, to Democratic or Republican candidates for President?

Mr. PARR. Yes; I believe SPACE contributed to Humphrey. I am not sure. I just don't keep up with that any more.

Mr. WEITZ. These contributions, if they were made, were reported contributions?

Mr. PARR. Yes.

Mr. WEITZ. From SPACE funds?

Mr. PARR. Yes.

Mr. WEITZ. Off the record.

[Discussion off the record.]

Mr. WEITZ. Back on the record.

Mr. PARR. Just to make sure there is no mixup in my testimony, there—I am mixed up on this right here [indicating].

Mr. WEITZ. Let the record show you are now looking at the letter we have identified to Mr. Connally.

Mr. PARR. I don't remember Mr. Baldi and Mr. Hanman. I guess they were there, but I do not remember.

Mr. WEITZ. You are saying you recall a meeting with Mr. Connally at which only you, Mr. Morgan, and Mr. Westwater attended; is that correct?

Mr. PARR. Yes, sir. Well, wait a minute. I know what it is. That was in 1973. That's what—I'm just trying to get it straight in my mind. Yes, sir. I've got it straight now.

Mr. WEITZ. Let me ask it again. Did you attend a meeting in 1972 as described in that letter?

Mr. PARR. Yes.

Mr. WEITZ. And you also attended a meeting the following year without Mr. Baldi and Mr. Hanman being present?

Mr. PARR. Yes, sir. We were still talking about the same durned thing. I do not remember this discussion here [indicating], but I guess maybe they discussed it.

Mr. WEITZ. But you remember attending the meeting referred to in the letter?

Mr. PARR. Yes, sir.

Mr. WEITZ. And you remember that committees were discussed and so forth?

Mr. PARR. But I did not know they discussed all this [indicating].

Mr. WEITZ. This meaning the other matters referred to in that letter?

Mr. PARR. They may have discussed it. My mind is—I guess we did, but I just do not remember it.

Mr. WEITZ. But you did attend that meeting?

Mr. PARR. Yes, sir. I attended it. Yes, sir.

Mr. WEITZ. Mr. Sanders?

Mr. SANDERS. I want to ask you a question which may sound like one I have asked you before, but I think it will be phrased in reverse. Did you ever hear any person in the Nixon administration or in the Nixon reelection committee state a commitment to increase the support level for milk if AMPI or other dairy co-ops would make certain campaign contributions?

Mr. PARR. Not that I recall.

Mr. SANDERS. Did you ever hear any other dairy co-op official say that they had heard any such commitment?

Mr. PARR. No, sir.

Mr. SANDERS. Do you recall a publication, a book called "No Retreat From Tomorrow"?

Mr. PARR. What's that?

Mr. SANDERS. A book entitled "No Retreat From Tomorrow" about President Johnson's administration.

Mr. PARR. I don't.

Mr. SANDERS. That title does not mean anything to you?

Mr. PARR. No.

Mr. SANDERS. Do you have any recollection that AMPI paid the publication costs of a book about the Johnson administration?

Mr. PARR. I might have heard something about it, but it does not ring a bell.

Mr. SANDERS. I have no further questions.

Mr. DORSEN. I have no further questions.

Mr. WEITZ. And I have no further questions.

Thank you very much, Mr. Parr.

[Whereupon, at 6:20 p.m., the hearing in the above-entitled matter was adjourned.]

PARR EXHIBIT No. 1



MILK PRODUCERS Inc. / CAMPA DIVISION

6423 FORBING ROAD

LITTLE ROCK, ARKANSAS

DAVID L. PARR
DIVISION MANAGER

June 12, 1968

Mr. Harold Nelson
Milk Producers, Inc.
1009 N. W. Military
San Antonio, Texas

Dear Harold:

You are aware of the meeting with Clark, Morris, Murphy, Wisdom, Suttle, Townsend, and myself on Monday. This group brought up a problem which I think we should keep in mind constantly in our efforts to improve the economic position of the dairy farmers.

That point is that we must constantly avoid becoming complacent when we have made a gain, and be always watchful for any threat from another direction. An example of this was the case in 1966 when the seasonal differential was suspended, but at the same time imports increased at a rapid rate. In other words, we can make a gain but if we are not very careful, we may lose some other place at the same time.

With this thought in mind, we suggest that you, on an informal basis, appoint certain individuals to report to you on a constant basis where we are trying to go, or what our objectives are and what progress is being made in major categories, such as:


- Imports - Tom Townsend
- Promotion - Leo Suttle
- Research and Development - Forrest Wisdom
- Supply Management and Order Actions -
Ross Clark
- Product Removal - Tom Townsend
- Politics - Parr and Lilly
- Internal Operations - Leo Suttle

803858

Mr. Harold Nelson
June 12, 1968
Page 2

The point I am trying to make is that these people could keep you alert at all times to the problems and opportunities that exist in each of the major categories which can have such a big influence on our MPI activities.

Sincerely,



David L. Parr
Division Manager

803859

DLP/eh/nk

cc: Mr. Ross Clark
Mr. Dwight Morris
Mr. Joe Murphy ✓
Mr. Forrest Wisdom
Mr. Leo Suttle
Mr. Tom Townsend

PARR EXHIBIT NO. 2

MEMORANDUM

August 19, 1969

TO: The Honorable Harry S. Dent

FROM: Harold Nelson, General Manager,
Associated Dairymen, Inc.SUBJECT: Invitation to the President to Address the Annual Meeting of
Associated Dairymen, Inc.

In accordance with your suggestion made in your office this morning, here are the details of our invitation to the President to address the Annual Meeting of Associated Dairymen, Inc.

Associated Dairymen, Inc. is a dairy cooperative representing both manufacturing and Grade A fluid milk producers whose farms are in the area roughly defined by the Appalachian Mountains on the east, the Rocky Mountains on the west, the Canadian border on the north, and the Gulf of Mexico on the south. These farms are in the 18 states of Minnesota, North Dakota, South Dakota, Wisconsin, Illinois, Iowa, Indiana, Nebraska, Kansas, Missouri, Oklahoma, Arkansas, Louisiana, Kentucky, Tennessee, Mississippi, Texas, and New Mexico.

Our member farmers produce approximately 16 percent of the national milk supply, which represents approximately \$1 billion per year in sales.

This will be a banquet meeting at which we will have approximately 6,000 in attendance, including dairy farmers from every state in the United States.

Our first choice for a place of meeting is Kansas City, Missouri; but, if you deem it advisable, we suggest as possible alternatives Des Moines, Iowa; St. Louis, Missouri; or Chicago, Illinois. We have some latitude as to the date of the meeting, but, if at all possible, we would prefer a date in September or October.

Of course, I am sure that I need not assure you that the President would be among friends, as the area from which these farmers come are those in which he demonstrated his strength and popularity during the recent election.

Harold S. Nelson, 1011 N.W. Military Highway, San Antonio, Texas. (512) DI-4-1392
David Parr, 6423 Forbing Road, Little Rock, Arkansas. (501) 562-1900
Milton P. Semer, Semer, White & Jacobsen, 1156 15th Street, N.W., Washington,
D. C. 659-2900.

PARR EXHIBIT NO. 3

Stuart H. Russell, Inc.

ATTORNEY AT LAW

THOMAS W. WOODY
OF COUNSEL

A PROFESSIONAL CORPORATION
2290 LIBERTY BANK TOWER
OKLAHOMA CITY, OKLAHOMA 73102

405/236-5991
405/239-6116

December 11, 1973

AIR MAIL

Allen Weitz, Esq.,
Senate Select Committee on
Presidential Campaign Activities
New Senate Office Building
Washington, D.C. 20510

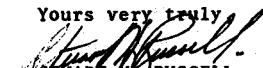
Dear Mr. Weitz:

You will recall that during my interrogation before the Senate Committee Staff, I was unable to recall the names of certain employees of Associated Milk Producers, Inc., to whom I had delivered cash.

Since my interrogation, my memory has been refreshed, and I do recall that I delivered \$5,000.00 in cash to Mr. Tom Townsend (a former employee of Associated Milk Producers, Inc.), and \$15,000.00 in cash to Mr. Wim Hollowell (also a former employee of Associated Milk Producers, Inc.)

I have since retained counsel. He is Robert E. Shelton, Esq., Messrs. Benefield, Shelton & Johnson, 2700 City National Bank Tower, Oklahoma City, Oklahoma 73102, telephone 405/236-1626. If any recording of my interrogation by the staff was made at the time, my attorney has advised me to (by this letter) make a request for a copy thereof at my expense.

Yours very truly


STUART H. RUSSELL

SHR:jh

PARR EXHIBIT NO. 4

Concept: Valentine & Sherman
 29-30

Note - Tuesday, the 26th
Call David Parr

WG Trip File: January 28-29

January 23, 1971

Mr. David Parr
 Associated Milk Producers, Inc.
 6423 Forbing Road
 Little Rock, Arkansas 72204

Dear Dave:

I will be coming into Louisville on the evening of the 28th, preparatory to HHH's arrival for the D. I. meeting on the morning of the 29th.

I have just learned that Jack Valentine of Valentine-Sherman and Associates will be in Louisville on the 28th and 29th. You may recall that they are the firm whose computer operation was so fantastically successful in Minnesota and North Dakota during the last election.

I have asked Valentine to prepare some budget estimates of what it would cost to develop a similar voter-identification and get-out-the-vote project in a number of key states in the South, and to be prepared to meet with us if you will be free for an hour or so after HHH leaves.

If you and Bob Justice can take some time off during the early afternoon of the 29th -- or if you would have more time during the evening of the 28th -- I would like to set up such a meeting.

I shall be calling you Tuesday to see how your schedule is going, and if possible to work out a time and place to meet.

It was a great party. Sorry I got trapped outside the room and missed your departure. Many thanks for coming up. It was a great psychological shot in the arm for our mutual friend HHH.

Best wishes.

Sincerely,

William Connell

cc: Jack Valentine

PARR EXHIBIT NO. 5

VALENTINE, SHERMAN and ASSOCIATES

7851 Metro Parkway - Minneapolis, Minnesota 55420 - Telephone (AC 612) 727-1570

AMPI OUTLINE PROPOSAL**I. COMPANY FACTS**

1. VSA specializes in the use of computers in politics. Specifically, we perform political surveys, data capture, list maintenance, list utilization, and direct mail.
2. The company has been in business for two years and has ten (10) full time employees, plus 160 women working in their homes. It owns one computer (scanner) and time shares on two other systems.
3. VSA, besides its political work, also is developing a substantially large commercial business, performing list maintenance, market analysis, and direct mail services for several midwestern companies -- including a few mail houses.

AMPI OUTLINE PROPOSAL

Page 2

II. THE SURVEY

1. We collect and compile all the directories in a state. This data is then "captured" on the computer. The information includes name, address, zip, telephone number, county, congressional district and, in some instances, precincts.
2. This information is then transferred to specially designed forms which are used to collect more detailed political and demographic data. This information is gathered by volunteers in the field.
3. The forms are then returned to VSA for further processing and matching to the master file. This is the final stage in completing the project.
4. The total system is designed so that it can be easily updated and data can be added on in future years. In this respect it is quite unique.

AMPL OUTLINE PROPOSAL

Page 3

III. THE END PRODUCT

1. "Selected" labels and/or computer letters can be generated for direct mail.
2. Telephone lists can be generated.
3. Fund raising lists can be developed.
4. Poll-watching lists.
5. Door-to-door lists.

In short, it's the oldest type of politics known -- i.e., locate and find your people and get them registered and to the polls. The only twist is that it employs efficient new computer techniques.

IV. RESULTS IN '70

1. Gore and Davidson County
2. DFL in Minnesota
3. Burdick in North Dakota, including poll and fund raiser.
4. Two additional congressmen.
5. State legislature -- 62 of 204.

AMPI OUTLINE PROPOSAL

Page 4

V. PROPOSED PACKAGES

<u>1</u>	<u>STATES</u>	<u>CONG. DIST.</u>
	<u>Florida</u>	12 - 14
	<u>North Carolina</u>	11
	<u>South Carolina</u>	6
	<u>Georgia</u>	10
	<u>Kentucky</u>	7
	<u>Tennessee</u>	9
	<u>Arkansas</u>	4
	<u>Missouri</u>	10
	<u>Texas</u>	25
	<u>Oklahoma</u>	6
		<u>102</u>

- a.) \$2100.00 per district
- b.) Total of \$214,200.00
- c.) 15% downpayment = \$32,130.00
- d.) \$12,138.00 per month for 15 months
- e.) 12 month completion time

AMPI OUTLINE PROPOSAL

Page 5

2. STATES

CONG. DIST.

Florida

14

North Carolina

11

South Carolina

6

Georgia

10

Kentucky

7

Tennessee

9

Arkansas

4

Missouri (2 Southern
Districts)

2

63

- a.) \$2200.00 per congressional district
- b.) \$138,600 total
- c.) 20% down = \$27,720.00
- d.) \$9,240.00 per month for 12 months
- e.) 8 months completion time

AMPI OUTLINE PROPOSAL

Page 6

3. Selection of any key states amounting to roughly 40 Districts.

- a.) \$2400.00 per district
- b.) Total of \$96,000.00
- c.) \$16,000 down payment
- d.) \$8,000 per month for 10 months
- e.) 6 months completion

4. There are three rather small non-Southern states -- Iowa (7), Kansas (5), and Nebraska (3) -- which have expressed interest in the survey, but need assistance in financing it. Also, Wisconsin, Illinois and Michigan are very interested (10, 24, and 19 districts respectively) and perhaps some influence could be won in these states.

AMPI OUTLINE PROPOSAL

Page 7

VI. BENEFITS TO AMPI

1. This political action program can be used by all candidates. It would give AMPI tremendous political leverage.
2. There is a vast fund raising potential here for AMPI as well.
3. Equally important, AMPI would have superior lists by which to help organize its membership.
4. All of the proposed states are critical to Democratic victory in '72.
5. VSA could provide for all of the computer needs that AMPI would have, not only the lists and data in the proposed states, but in other states as well.

For example, VSA has access to a list of all rural names in the following sixteen states:

- | | |
|-------------|------------------|
| 1. Arkansas | 9. Indiana |
| 2. Missouri | 10. Iowa |
| 3. Oklahoma | 11. Kansas |
| 4. Colorado | 12. Minnesota |
| 5. Michigan | 13. Wisconsin |
| 6. Ohio | 14. Nebraska |
| 7. Texas | 15. South Dakota |
| 8. Illinois | 16. North Dakota |

The list will be expanded and possibly could be managed to fit into AMPI's areas of interest.

PARR EXHIBIT No. 6

ASSOCIATED MILK PRODUCERS, INC.
PHONE A/C 512 341-8651 TELEX 76-7446
P.O. BOX 32287
SAN ANTONIO, TEXAS 78216

No. 7830 30.2
1140

July 16, 1971

PAY REGISTERED **2500000000** **25,000.00**
TO THE ORDER OF **D-23317**

AUG 5 1971 ASSOCIATED MILK PRODUCERS, INC.

* **VALENTINE, SHERMAN, AND ASSOCIATES**
3050 Metro Drive
Minneapolis, Minn 55420

Robert A. Adams

THE ALAMO NATIONAL BANK
OF SAN ANTONIO, TEXAS

111400002 **05 8608** **0002500000**

[illegible]

ASSOCIATED MILK PRODUCERS, INC.

PHONE A/C 512 341-6551 TELEX 76-7446
P. O. BOX 32287
SAN ANTONIO, TEXAS 78216

THE ALAMO NATIONAL BANK
of San Antonio, Texas

0630
30-2
1140

OCTOBER 18, 1971

PAY TO THE ORDER OF REGISTERED \$ 7,000.00

ASSOCIATED MILK PRODUCERS, INC.

VALENTINE, SHERMAN & ASSOCIATES
3050 METRO DRIVE
MINNEAPOLIS, MINN. 55420

⑈000630⑈ ⑆1140⑈0002⑈ 06 8608⑈ ⑈0000⑈000000⑈

PAY TO THE ORDER OF
GUARANTY STATE BANK
ST. CLOUD, MINNESOTA
For Deposit Only
100-6105
VALENTINE, SHERMAN, And
ASSOCIATES

777 AG 02 11-22-9

174
PAY TO THE ORDER OF
MINNEAPOLIS
E.G.
Bank
174

AUG 21 1971

575 00007

MINNEAPOLIS, MINN 55401

RESERVE BANK SPRING
FALLS, TEXAS 75744

30.72

ATLAS
P.O. BOX 1709
NEW YORK, N.Y.
PAY TO THE ORDER OF ANY BANK, P.O.

PAY TO THE ORDER OF
GUARANTY STATE BANK
ST. PAUL, MINNESOTA
For Deposit Only
1106105
VALENTINE SHERMAN, And
ASSOCIATES

153211A-222

PAY ANY BANK
FREE MONTHLY
8-74

17-4
PAY TO THE ORDER OF
MAY 27 1971
AUG 27 1971
BANK

PAY ANY BANK, P.E.G. 2
PAY ANY BANK, P.E.G. 2
FBI MINNEAPOLIS 7-2
PAY ANY BANK, P.E.G. 2
PAY ANY BANK, P.E.G. 2

PAY TO THE ORDER OF
GUARANTY STATE BANK
ST. PAUL, MINNESOTA
For Deposit Only
100-6105
VALENTINE SHERMAN, And
ASSOCIATES

174
OCT 22 1971
FBI - NEW YORK

☐ PAY ANY BANK, P.L. 60-133
☐ PAY TO THE ORDER OF THE UNITED STATES OF AMERICA
 FEDERAL RESERVE BANK, P.E.G. 245-1

ASSOCIATED MILK PRODUCERS, INC.

PHONE A/C 512 341-9651 TELEX 767446
P. O. BOX 32287
SAN ANTONIO, TEXAS 78216

THE ALAMO NATIONAL BANK
of San Antonio, Texas

1969
30-2
1140

NOVEMBER 15, 1971

PAY TO THE ORDER OF **REGISTERED** **R D - 23317275000000000000** \$27,500.00

ASSOCIATED MILK PRODUCERS, INC.

VALENTINE, SHERMAN & ASSOCIATES
3050 METRO DRIVE
MINNEAPOLIS, MINN. 55420

Robert C. Anderson

#001169# :11140-0002: 06 8608# #0002750000#

ASSOCIATED MILK PRODUCERS, INC.		✓ THE ALAMO NATIONAL BANK		2191
PHONE A/C 512 341-8851 TELEX 76-7446		of San Antonio, Texas		
P. O. BOX 32287				30-2
SAN ANTONIO, TEXAS 78218				1140
		DECEMBER 21,		1971
PAY	REGISTERED	R.D. 2-517	2550000000	
TO THE ORDER OF			\$25,500.00	
VALENTINE, SHERMAN & ASSOCIATES		ASSOCIATED MILK PRODUCERS, INC.		
3050 METRO DRIVE				
MINNEAPOLIS, MINN. 55420				
		PAID		
0002191		06 8608		0002550000

ASSOCIATED MILK PRODUCERS, INC.

PHONE A/C 512 341-8651 TELEX 76-7446
P. O. BOX 32287
SAN ANTONIO, TEXAS 78216

THE ALAMO NATIONAL BANK
of San Antonio, Texas

2353
30-2
1140

PAY TO THE ORDER OF **REGISTERED R D # 23317** **\$ 27,000.00**

DECEMBER 29, 1971

ASSOCIATED MILK PRODUCERS, INC.

VALENTINE, SHERMAN & ASSOCIATES
3050 METRO DRIVE
MINNEAPOLIS, MINN. 55420

#002353# @1140@0002# 06 8608# *0002700000*

6922

PAY TO THE ORDER OF
GUARANTY STATE BANK
 ST. PAUL, MINNESOTA
 For Deposit Only
 100-6105

VALENTINE SHERMAN, And
 ASSOCIATES
 P.C.

ST. PAUL, MINN.
 66-22-99

174	22.99
PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota NOV 17 1971 174 PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota NOV 17 1971 174 PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota NOV 17 1971 174	

BANK P.C.
 100-6105
 174

PAY TO THE ORDER OF
GUARANTY STATE BANK
 ST. PAUL, MINNESOTA
 For Deposit Only
 100-6105
 VALENTINE SHERMAN, And
 ASSOCIATES
 P.C.

174	22.99
PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota DEC 29 1971 174 PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota DEC 29 1971 174 PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota DEC 29 1971 174	

PAY TO THE ORDER OF
GUARANTY STATE BANK
 ST. PAUL, MINNESOTA
 For Deposit Only
 100-6105
 VALENTINE SHERMAN, And
 ASSOCIATES
 P.C.

DEC 29 71-22-99

PAY TO THE ORDER OF
GUARANTY STATE BANK
 ST. PAUL, MINNESOTA
 For Deposit Only
 100-6105
 VALENTINE SHERMAN, And
 ASSOCIATES
 P.C.

AA 8483 JAN 03 72-22-99

174	22.99
PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota JAN 3 1972 174 PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota JAN 3 1972 174 PAY TO THE ORDER OF GUARANTY STATE BANK of Saint Paul, Minnesota JAN 3 1972 174	

JAN 5 1972
 174

PARR EXHIBIT NO. 7

August 3, 1971

Mr. Dave Parr
Associated Milk Producers
6423 Forbing Road
Little Rock, Arkansas 72204

Dear Dave:

I have consulted my attorney, Jack Chestnut, and we have taken the necessary steps to cover all parties concerned regarding AMPI's payment to Valentine, Sherman and Associates. We have drawn up the necessary agreement, of which there is a copy enclosed, and forwarded it to Harold Nelson. According to the terms of the agreement, the second payment of \$25,000.00 is now due, and a copy of the invoice for said amount is enclosed for your initials and forwarding to Mr. Nelson.

If you have any questions regarding this matter, please contact me or Jack Chestnut.

I thank you in advance for your prompt attention to this matter.

Sincerely,

Jack Valentine

JAV:mc

Enclosures

PARR EXHIBIT No. 8

June 15, 1971

Mr. Dave Parr
Associated Milk Producers
6423 Forbing Road
Little Rock, Arkansas 72204

Dear Dave:

See attached invoice for the Iowa project per instructions from Ted Van Dyk. The second statement will be due in four to six weeks when the forms are delivered to the state. The second invoice will be mailed at that time.

The project is going very well. If you have any questions regarding this, please contact me or Ted Van Dyk.

Sincerely,

Jack Valentine

Enclosure

cc: Ted Van Dyk

June 15, 1971

Associated Milk Producers
6423 Forbing Road
Little Rock, Arkansas 72204

Attention: Mr. Dave Parr

Invoice #157

Description

Amount

Re: Iowa Project

Consulting Services

\$25,000.00

P/P HSA

VAUGHN, STEPHEN
AND ASSOCIATES
1000 10TH AVENUE, SUITE 100, MINNEAPOLIS, MN 55403
PHONE 822-1227

July 30, 1971

Associated Milk Producers
6423 Forbing Road
Little Rock, Arkansas 72204

Attention: Mr. Dave Parr

Invoice #163

<u>Description</u>	<u>Amount</u>
Compilation of Residents of Rural Areas in Minnesota, North Dakota, and Iowa.	\$25,000.00

o K. M.

CHARGE ACCOUNT NO. _____
APPROVED BY: _____
DATE: _____
1000 10TH AVENUE, SUITE 100, MINNEAPOLIS, MN 55403

September 24, 1971

Associated Milk Producers
6423 Forbing Road
Little Rock, Arkansas 72204

Attention: Mr. Dave Parr

Invoice #168

<u>Description</u>	<u>Amount</u>
Consulting Services and the Creation of Various Farm Mail- ing Lists	\$7,000.00

Handwritten signature
10/15/71

Handwritten notes and stamps
10/15/71

Invoice #469

November 11, 1971

Associated Milk Producers, Inc.
GPM Building
San Antonio, Texas 78216

Attention: Mr. Bob Lilly

Compilation of rural lists for
the State of Kansas.

\$15,000.00

PARR EXHIBIT No. 9

LAW OFFICES

REEVES & HARRISON

SUITE 500

1701 PENNSYLVANIA AVENUE, N. W.

WASHINGTON, D. C. 20006

TELEPHONE 202 298-9030

TELEX 440376 CRDK

CABLE "REEVLAW"

OF COUNSEL

MURRAY M. CHOTINER

PATRICK J. HILLINGS

MARION EDWYN HARRISON

ERNEST GENE REEVES

ROBERT F. SAGLE

MYRON SOLTER

CHARLES EMMET LUCEY

JUDY R. POTTER

August 5, 1971

Mr. David L. Parr
Associated Milk Producers, Inc.
P. O. Box 9589
Little Rock, Arkansas 72209

Re: Contributions

Dear Dave:

In the absence of Marion Harrison, I am taking the liberty of furnishing you the list of 100 committees.

Please note that the single circle around the number indicates it was sent to Harold Nelson on June 16, 1971, in the first group of 25 committees.

The double circle around the number indicates it was in the list of 24 committees sent to Harold Nelson on June 29.

It will be appreciated if you will make the committees available to Mr. Isham with the thought in mind that prompt action will be taken along the lines we discussed.

With best personal regards.

Cordially,

MURRAY M. CHOTINER

MMC:ek
Enclosure

cc: Mr. Robert O. Isham

PARR EXHIBIT No. 10

David L. Parr

6423 FORBING ROAD
LITTLE ROCK, ARKANSAS 72209

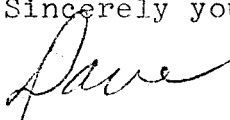
August 9, 1971

Mr. Bob Isham
Associated Milk Producers, Inc.
GPM Building, 4th Floor
San Antonio, Texas 78216

Dear Bob:

Please mail checks for each committee numbered in the amount of \$2500.00 each to Reeves & Harrison, Attn: Mr. Murray Chotiner, 1701 Pennsylvania Avenue, N.W., Washington, D. C. 20006. Please mail as soon as possible.

Sincerely yours,



David Parr

DP/bk
encs.

PARR EXHIBIT No. 11

TRUST FOR AGRICULTURAL POLITICAL EDUCATION

P.O. BOX 32287

PHONE A/C 512 341-8651

SAN ANTONIO, TEXAS 78284

October 18, 1971

TO: H. S. Nelson
Dave Parr
Bob Lilly
Marion Harrison

FROM: Robert O. Isham

SUBJECT: TAPE REPORTS TO CLERK OF U. S. HOUSE

Attached is a second letter from the Clerk of the U. S. House.

It seems that another committee chairman is ignorant of any receipts from TAPE. I hereby propose that a letter from the Treasurer of this and the earlier named committee write to the Clerk of the U. S. House acknowledging receipt of TAPE's contribution. If this cannot be accomplished, I propose to forward copies of receipts, cancelled checks, and Marion Harrison's letter directly to the Clerk.

W. Pat Jennings
Clerk

Office of the Clerk
U.S. House of Representatives
Washington, D.C. 20515

October 13, 1971

Mr. Robert O. Isham
Treasurer and Trustee
The Trust for Agricultural
Political Education
Pose Office Box 32287
San Antonio, Texas 78284


Dear Mr. Isham:

This is to advise you that on this date the Clerk received the attached letter from Mr. Frederic C. Towers, dated October 12, 1971, concerning an allegation against The Trust for Agricultural Political Education, and it has been made part of the file available for public inspection.

For your information I am also attaching a copy of the Clerk's letter acknowledging receipt to Mr. Towers also of this date.

With kindest regards, I am

Sincerely yours,


W. PAT JENNINGS, Clerk
U. S. House of Representatives

Attachments

October 12, 1971
C. H. H. 464

The Honorable W. Pat Jennings
Clerk of the House of Representatives
Washington, D.C. 20515

Dear Mr. Jennings,

It has recently come to my attention that reports filed with the House of Representatives reflect a contribution of \$2,500 to the "Organization of Community Volunteers" at 8033 Herb Farm Drive, Bethesda, Maryland. The address is that of my home.

I wish to advise you that neither I nor any member of my household has ever been associated with a committee of that name. I wish further to advise you that no check related to the reported contribution was ever received by me or any member of my household, at that address or any other address.

The apparent use of my name and address was undertaken totally without my authorization or knowledge, and without the authorization and knowledge of any member of my household. Although, I have been actively involved in Republican politics in Montgomery County for over ten years and have assisted in the campaigns of Gilbert Gude, "Mac" Mathias and Glenn Beall, I have not been involved in national fund-raising activities for the Party. I am certain that some administrative error caused my name and address to be linked with this fund-raising committee.

I dislike having this unfortunate publicity associated with my name and trust that you will correct your records associating my name or address with this committee.

Thank you for your attention to this matter.

Sincerely Yours,

Frederic C. Towers
Frederic C. Towers

8033 Herb Farm Drive
Bethesda, Maryland 20034

W. Pat Jennings
Clerk

Office of the Clerk
U.S. House of Representatives
Washington, D.C. 20515
October 13, 1971

Mr. Frederic C. Towers
8033 Herb Farm Drive
Bethesda, Maryland 20034

Dear Mr. Towers:

This is to acknowledge receipt of your letter of October 12, 1971 concerning an alleged contribution of \$2,500 made to the "Organization of Community Volunteers" at 8033 Herb Farm Drive, Bethesda, Maryland.

Your letter has been made part of the file of The Trust for Agricultural Political Education available for public inspection.

With kindest regards, I am

Sincerely yours,

W. PAT JENNINGS, Clerk
U. S. House of Representatives

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